



Daily Report

LAST ISSUE

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LAST ISSUE

East Asia

FBIS-EAS-96-169
Thursday
29 August 1996

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Daily Report

East Asia

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Japan

Japan: Ota, Okinawa Officials Comment on Supreme Court Ruling

OW2808132496 Tokyo KYODO in English
1117 GMT 28 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 28 KYODO — The Supreme Court ruled Wednesday that government expropriation of private land for use by the U.S. military is constitutional, rejecting Okinawa Gov. Masahide Ota's claim that the practice violates property rights of the landowners.

In upholding a ruling by the Naha Branch of the Pukuoka High Court last March, the top court said Ota's refusal to sign documents necessary for the continued forced leasing of land to the U.S. military "significantly infringes on public interests."

Prime Minister Ryutaro Hashimoto signed the documents on behalf of Ota following the high court decision, but Ota filed an appeal to the Supreme Court after that to challenge the constitutionality of the forced leasing.

The Supreme Court decision marks its first ruling on the constitutionality of a law allowing the central government to force unwilling landowners to lease their land to the U.S. military.

All 15 members of the grand bench, led by Chief Justice Toru Miyoshi, agreed that the law is constitutional.

The grand bench said the expropriation is necessary because Japan has an obligation to provide land for U.S. forces stationed in Japan under the bilateral security pact.

When Miyoshi announced that the supreme court had rejected Ota's appeal, most of the governor's supporters filling the gallery of the grand bench stood up and shouted in protest, including such words as "why don't you live near the bases" and "murderer."

Masaie Ishihara, a professor at Okinawa Kokusai University, told a meeting of the supporters held after the ruling that the supreme court had made a 10-second announcement in which Okinawa's hardships over the past 51 years were ignored.

The court battle back dates to last December, when the central government filed a suit against Ota, seeking a court order for him to sign documents needed to force 35 landowners to renew their leases on a total of 35,000 square meters of land for eight of the 40 U.S. military facilities in the southwestern island prefecture of Okinawa.

Ota has refused to do so on the grounds that the forced leasing violates the owners' property rights and the local residents' rights to live in peace.

His refusal came amid a surge in anger among local residents over the huge U.S. military presence in Okinawa following the rape of a local schoolgirl by three U.S. servicemen last September for which they have been convicted.

Okinawa, about 1,600 kilometers southwest of Tokyo, is home to about 75 percent of the land in Japan reserved for use by the U.S. military, although the island accounts for less than 1 percent of Japan's total land.

Under an agreement reached last April, the United States will vacate some 20 percent of the land its military now occupies in Okinawa.

The 35 landowners in question are among some 3,000 landowners who are refusing to lease their land to the U.S. military.

Ota also faces two separate suits brought by the central government over legal procedures for the forced leasing of land owned by local residents to the U.S. military.

Of the suits, one is designed to seek a court order for Ota to take legal procedures required to renew leases of land owned by the local residents for the Kadena Air Base and 10 other U.S. military facilities. The leases expire next May.

Under the other suit, the central government is seeking a court order urging Ota to comply with a request that he make public the papers detailing a government request for the expropriation of a plot of land within a U.S. Navy communications facility.

The lease on the 236-square-meter plot owned by local grocer Shoichi Chibana expired at the end of March, but the government has continued to use the plot for the U.S. Navy facility without clear legal basis.

Ota expressed a much calmer reaction than his supporters to the ruling, saying it was "extremely regrettable."

In a press conference at the Okinawa prefectural government office, the governor did not elaborate on whether he would comply with government requests to take required steps on the forced land leasing following the decision by the top court.

In Tokyo, Chief Cabinet Secretary Seiroku Kajiyama and Defense Agency Chief Hideo Usui separately announced that they hope Ota would change his stance in consideration of the top court decision.

The Okinawa prefectural government is slated to call a local referendum on Sept. 8 over whether to support a cut in the U.S. military presence on the island.

Okinawa Mayor Shusei Arakawa said the significance of the referendum has become even bigger after the ruling, and that the only way left for the Okinawa residents now to "win Okinawa's future" is to make efforts by themselves.

Japan: KYODO on Papers' Reaction to Court Ruling Against Ota

OW2908013496 Tokyo KYODO in English
0125 GMT 29 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 29 KYODO — Major Japanese newspapers urged the government Thursday to maximize efforts to reduce the heavy U.S. military presence in Okinawa prefecture in the wake of a supreme court ruling upholding forced leasing of land for U.S. bases there.

The ASAHI SHIMBUN and the MAINICHI SHIMBUN called on the government to hasten solution of two immediate issues — the relocation of Futenma airfield and the transfer of artillery drills to mainland Japan — while trying to build an international climate conducive to reduction in the U.S. military presence in Japan.

In their editorials, both papers urged residents in municipalities opposing acceptance of the drill relocation to share the heavy burden of the people of Okinawa, Japan's southernmost prefecture.

"But what is more important is to make it a specific political and diplomatic agenda how to reduce U.S. bases in Japan as a whole and create an international environment that will permit it from a medium- and long-term perspective," the ASAHI editorial said.

Echoing this, the MAINICHI called for a more active security dialogue in northeast Asia to build mutual confidence among countries in the region.

It suggested that the central and Okinawa prefectural governments make such efforts jointly by, for example, hosting an international security conference in Okinawa.

The NIHON KEIZAI SHIMBUN, a business daily, said the question facing the nation in the wake of the top court ruling is how to generate a climate which will enable Okinawa Gov. Masahide Ota to go ahead with procedures necessary for renewing land-leasing contracts and for local people to accept it calmly.

It said proposals to develop Okinawa's economy which the central government has made as part of such efforts should not be promoted in such a way as to sound as if the base issue is being solved with money.

U.S. bases in Okinawa have strategic importance to ensure Asia-Pacific stability under Tokyo's security

pact with Washington, the NIHON KEIZAI said in its editorial.

"But what is necessary now is to correct the too-heavy burden on Okinawa," it added.

The ASAHI and MAINICHI were critical of the supreme court ruling, saying it was based solely on legal technicalities and did not take full account of the realities faced by the Okinawa people.

But the YOMIURI SHIMBUN supported the ruling, calling it "reasonable" and urging Ota to offer maximum cooperation in continuing forced land rental for U.S. bases.

Japan: Okinawa Governor News Conference on Supreme Court Ruling

OW2908105296 Naha RYUKYU SHIMPO
in Japanese 29 Aug 96 Morning Edition p 2

[News conference by Okinawa Governor Masahide Ota with unidentified reporters at the prefectural government building on the afternoon of 28 August]

[FBIS Translated Text] The following is a question-and-answer session during Okinawa Governor Masahide Ota's news conference with unidentified reporters in response to the Supreme Court ruling.

[Reporter] You have said that the degree of [Japan's] democratic maturity would be tested by the ruling [of the Supreme Court]. What do you think after receiving the ruling?

[Ota] The long-cherished, sincere wish and voices of the prefectural people failed to reach the judges. I think the ruling clearly indicates the reality of the current democratic politics in Japan.

[Reporter] This ruling seems more severe than the high court ruling. Do you think it can pass the test of history?

[Ota] In a supplementary opinion, six judges expressed a certain understanding of Okinawa's actual situation. At present, it is very difficult to tell if this will be able to pass the test of history. I cannot say anything until time passes.

[Reporter] What do you intend to do to promote the realignment and reduction of U.S. military bases? Do you think there is a limit at the judicial venue level?

[Ota] The [Fukuoka] high court and the Supreme Court have neither directly seen the actual situation of the bases nor heard the Okinawan people. Without sufficiently listening to testimonies of witnesses, both courts pronounced a ruling in regard to only the existing laws' adaptability [tekigosei]. I understand that the

effect of the ruling is that it is reasonable to deal with such issues as the excessive burden of bases, historical background, and the delay in industrial development not as judicial issues but as diplomatic and administrative issues of both the Japanese and U.S. Governments. I will now strive to promote settling the problems by appealing to both governments on Okinawa's actual situation further than I have done in the past.

[Reporter] What is your standpoint as a governor? Is it to proceed with reducing military bases, while keeping faith with the central government's current leadership?

[Ota] Yes, of course. We would even run into difficulties trying to settle problems that can be readily solved unless we deal with them while maintaining good relations with the central government. I feel that keeping faith with each other and improving that relationship is a rudimentary condition to solving problems.

[Reporter] What was your initial reaction upon hearing the ruling?

[Ota] My utmost concern became a reality. That is, my concern was that the ruling would turn out to be one that is limited to purely legal arguments — determining what the existing laws provide for and whether Japan, as a law-existing country, has violated any of these laws. That is exactly the way the ruling has turned out.

[Reporter] What plans do you have regarding the procedures for the forced lease of land?

[Ota] We have not yet made any detailed analysis of the ruling. I intend to think about what we have to do after listening to the opinions of my team of lawyers, the prefectural assembly, the prefectural office, my support organizations, and other relevant groups and after taking necessary administrative steps.

[Reporter] What have you accomplished after a nine-month-long court battle?

[Ota] I feel that, at least, public conscience about Okinawa's military base problems, which was hardly recognized in the past, has finally deepened at the national level. I believe we have managed to spread a certain level of understanding across the nation.

[Reporter] I feel the Supreme Court's ruling completely fails to touch on the issue of Okinawa's suffering in the course of history. How do you feel?

[Ota] Frankly speaking, I feel I have once again been made painfully aware that such matters simply do not belong in the judicial venue — that they just never get taken up there.

Japan: Okinawa Mayors Comment on Supreme Court Decision

OW2908123796 Naha RYUKYU SHIMPO
in Japanese 29 Aug 96 Morning Edition p 22

[FBIS Translated Text] The Supreme Court dismissed the final appeal by the Okinawan Prefectural Government on the so-called proxy-signing trial. Mayors of municipalities hosting U.S. military bases expressed their "anger" at "the severe decision."

Anger at Court Decision

Naha City Mayor Kosei Oyadomari: I feel anger, rather than sorrow, with the court decision. I cannot accept the court ruling only supporting the national government's security policy regardless of the Okinawan people's suffering for over 50 years. It is nothing more than a rewriting of logic by the national government. It is unacceptable from the concept of local autonomy.

Respect Should Be Paid to Supreme Court Decision

Urasoe City Mayor Seiko Gibo: It was a severe decision. I would like to express a certain approval of the governor's efforts for obtaining national understanding of the burdens of being hosts to military bases at the Grand Bench of the Supreme Court. But I think we must follow the judgment of the Supreme Court once it is made. I hope the government will exert its maximum effort to settling the base problems.

Judicial Branch Bowed to Politics

GINOWAN City Mayor Seiken Tobaru: The judicial branch bowed to politics. Today's judicial branch is nothing more than a watchdog of the national government. It is questionable whether the court decision can be free from criticism from future generations, and the judges owe a lot to the public. I say the judgment is inappropriate, and it will give deeper significance to the upcoming Okinawan referendum.

Court Betrayed Wishes of Okinawan People

Chatan Town Mayor Tomokazu Hentona: The wishes of the Okinawan people were betrayed again. I feel really sad about that. Okinawa has experienced a tragic history trifled with by the will of the central government. The Supreme Court decision is just another page of the tragedy. I feel I am going blind with rage about the court decision ignoring the reality of the Japan-U.S. security arrangements and the heavy burdens of Okinawa.

Distrust of Judicial Authority

Kadena Town Mayor Tokujitsu Miyagi: I have been deeply interested in the Supreme Court decision in

connection with expropriation procedures for land sites on Kadena Air Base, for which contracts will expire on 14 May 1997. But I had no great expectations for the trial because the result seemed very predictable. I can hardly trust the judicial branch because it is just following government policies.

Deeper Significance Given to Okinawan Referendum

Okinawa City Mayor Shusei Arakawa: I am furious with anger because the court betrayed us. I wanted to say good-bye to the bases going back to the United States. I am very surprised and frustrated with the court's unanimous decision against Okinawa. Now that the judicial branch proved its inability to face the pain of Okinawa, the 8 September referendum will have deeper significance. Okinawa's future must be built by the Okinawan people.

Court Pushed Okinawans to Hell

Yomitan Village Mayor Tokushin Yamauchi: I cannot help feeling strong anger. The Supreme Court ruling pushes all Okinawans to hell by ignoring the reality in Okinawa. The "watchdog of the constitution" has become a minion of the national government, which makes no decision beyond government policies. I wonder, if they say Japan is a law-governed nation, what is their explanation of the national government's illegal occupation of the Elephant Cage (Sobe communications site).

We Must Continue Antibase Campaigns

Onna Village Mayor Shigemasa Higa: It was an expected defeat, but I must say it was sad. That is probably the limitation of the judicial power. We lost, but I do not think we should be too pessimistic about it. We spoke out about what we must say, and that was supported by many people in the nation. From now on, all we can do is to continue our antibase campaigns.

Okinawan History Did Not Reach Supreme Court

Kin Town Mayor Katsuhito Yoshida: I really feel sad about that. Okinawa's history did not reach the Supreme Court. I guess the judges are watching the Okinawan situation just through the papers. I wanted them to really watch us and understand our sufferings and sorrow. Both the Japanese and U.S. Governments must seriously think about the burdens of military bases.

No Comment

Ie Village Mayor Seitoku Shimabukuro: I have no comment on this issue.

Japan: Governor Ota Urges Voter Turnout on Base Referendum

OW2908022096 Tokyo KYODO in English
0159 GMT 29 Aug 96

[FBIS Transcribed Text] Naha, Japan, Aug. 29 KYODO — The Okinawa prefectural government urged voters Thursday to cast ballots in a referendum set for Sept. 8 on the advisability of reducing U.S. military bases in the southernmost island prefecture and reviewing a bilateral agreement on the status of U.S. military personnel.

Gov. Masahide Ota and prefectural government officials made the appeal as the referendum was formally announced 10 days ahead of voting, with absentee voting also launched.

It will be the first referendum of any kind to be staged in Japan on a prefectural basis. There are about 910,000 eligible voters.

The prefectural government will notify the central government and the United States of the results, local government officials said.

With the referendum, Okinawa residents will have the first opportunity to directly express their views about whether to support a reduction in the U.S. military presence as well as a review of the Status of Forces Agreement.

The results, though not legally binding, will surely affect the policies of the central and prefectural governments on U.S. bases in the future, political analysts said.

On Wednesday, the supreme court rejected an appeal by Ota against a lower court ruling ordering him as proxy to sign documents necessary for the continued forced leasing of land to the U.S. military.

Ota, however, has showed his intention to judge whether to comply with the order depending on the results of the referendum.

Since it is deemed certain that the majority of voters will support a cut in U.S. bases and a review of the agreement, the focal point is voter turnout and how much voter support can be obtained, the analysts said.

Advocates of the referendum have set a support target of more than 50 percent of the registered voters.

Some said support by less than 50 percent could be interpreted as meaning the results fail to reflect the consensus of the people in Okinawa.

A civic group advocating reduction in U.S. bases has already been actively campaigning to encourage the residents to cast supporting votes in the referendum.

On the other hand, the prefectural chapter of the Liberal Democratic Party, the largest of the three ruling coalition parties, has expressed its intention to boycott the referendum, claiming it could contradict parliamentary democracy.

The referendum was initiated by the Okinawa branch of the Japanese Trade Union Confederation (Rengo), Japan's largest labor organization.

The Okinawa prefectural assembly approved a bill in June for the referendum, as proposed by Ota.

Antibases sentiment has amounted among Okinawa residents following the rape of a primary schoolgirl by three U.S. servicemen last September for which they have been convicted.

Roughly 75 percent of all Japanese land reserved for U.S. military use is concentrated in Okinawa prefecture, which accounts for less than 1 percent of Japan's total area.

"I think the referendum will be a big chance for prefectural residents to personally build up Okinawa's future by understanding the situation Okinawa is facing," Ota said in a statement.

"I heartily hope as many residents as possible will take part in the ballot."

On the streets of the prefectural capital Naha, Vice Gov. Masanori Yoshimoto and other senior prefectural officials distributed leaflets urging voters to cast ballots in the referendum.

Japan: GSDF Troop Leader Calls Base Referendum 'Meaningless'

OW2708155896 Tokyo KYODO in English
1518 GMT 27 Aug 96

[FBIS Transcribed Text] Naha, Japan, Aug. 27 KYODO — A Ground Self-Defense Force (GSDF) commander in Okinawa has called "meaningless" an upcoming referendum on the U.S. military presence in the southernmost island prefecture, GSDF soldiers said Tuesday.

Maj. Gen. Hidenobu Murata, chief of the 1st combined brigade of the western army, told some 1,800 soldiers during a morning address Aug. 8 that "there is no substance in voting for or against (the withdrawal of U.S. military bases), the referendum is meaningless."

Asked for comment by KYODO news, Murata acknowledged that he made the statement, but insisted he did not mean to discourage the soldiers from participating in the Sept. 8 referendum.

One of the soldiers who was present at the occasion said, however, "What I concluded from his address was that he meant to say 'don't cast your vote'."

Murata's statement is not disputable from a legal standpoint, since the referendum is not conducted under the public offices election law.

But Makoto Akita, law professor at Niigata University, said it was "utterly inappropriate."

"Given that this remark was made in the context of strict military hierarchy it amounts to an infringement of the soldiers' free will," he said.

Murata, who commands about 1,800 soldiers in Okinawa Prefecture, addresses his assembled troops once a month in front of his headquarters in Naha.

The Okinawa prefectural assembly approved a bill in June for the referendum. It will ask local residents whether they support a cut in the U.S. military presence and a review of the Japan-U.S. Status of Forces Agreement, which defines the status of U.S. military personnel stationed in Japan.

Roughly 75 percent of all Japanese land reserved for use by the U.S. military is concentrated in Okinawa Prefecture, which accounts for less than 1 percent of Japan's total area. The prefecture has adopted a three-phase plan for a complete withdrawal of U.S. troops from Okinawa by the year 2015.

Japan: Agreement Reached on Okinawa Live-Fire Drill Relocation

OW2908064196 Tokyo KYODO in English
0604 GMT 29 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 29 KYODO — Japan and the United States officially agreed Thursday to move U.S. live-ammunition artillery drills from Okinawa prefecture to five ground Self-Defense Force (GSDF) ranges in mainland Japan.

The combined duration of the drills at the five sites will total no more than 35 days, with a maximum of four drills a year, Japanese officials said.

Each drill will take no longer than 10 days and none of the five sites will be used more than once a year, according to the agreement reached during a Japan-U.S. joint committee on the Okinawa base issue.

The Japanese Government will try to persuade local governments to accept the relocation, but each of local governments around the sites has shown reluctance to overtures made by Defense Agency Chief Hideo Usui, who toured the locations earlier in the month.

In order to implement the plan in fiscal 1997, the government must persuade local governments to agree to it by December, when a budget draft for the next fiscal year will be compiled.

The drills to be relocated are currently carried out at the U.S. Marine Corps' Camp Hansen, located in the middle of Okinawa island, the officials said.

The local governments are reluctant to accept the relocation plan after the rape of a schoolgirl in Okinawa prefecture last September, for which three U.S. servicemen have been convicted and imprisoned.

The rape made many in Okinawa oppose the heavy U.S. military presence in their prefecture.

The five GSDF sites are the Yausubetsu range in Hokkaido, the Kitafuji range in Yamanashi prefecture, the Higashifuji range in Shizuoka prefecture, the Ojojihara range in Miyagi prefecture and the Hijudai range in Oita prefecture.

Many in Okinawa have hoped for an end to the drills, especially as a local highway is often closed so artillery shells can fly overhead on their way to a nearby hill, which has become bald from the firing.

If part of the relocation program is not implemented, some of the drills may remain in Camp Hansen, the Defense Facilities Administration Agency said.

Despite the bilateral agreement, the agency said there is still a possibility that a site could be used twice a year, depending on the progress of the relocation program.

Some 75 percent of all land used by the U.S. military in Japan is concentrated in Okinawa prefecture, which holds less than 1 percent of Japan's total land area.

"All we can say to the central government is 'no.' They are always forcing difficult tasks on local governments," said Gengo Miura, head of the town of Oshino in Yamanashi Prefecture, where the Kitafuji Range is located.

"I feel lonely seeing the drill relocation issue falling short of nationwide discussion," he said. "I doubt people in other areas think they have nothing to do with this issue."

An official of the Yamanashi prefectural government said that the agreement on the drill relocation only involved Japan and the United States.

The Yamanashi prefectural government is still opposing the relocation," the official said.

Even if central government officials come here to propose conditions on which it hopes the Yamanashi

prefectural government will accept the relocation, we will have [to] refuse them," he said.

In Oita Prefecture where the Hijudai Range is located, Akira Sato, head of a group from the town of Yufuin opposed to the relocation, said that the central government is alone on the issue. He said he doubts the Japan-U.S. agreement will come to anything without support of local governments.

Akiyoshi Fujimoto, an official of the Fukuoka Defense Facility Administration Bureau, visited the Oita prefectural office to submit the Japan-U.S. agreement to local officials. But Yosato Tatewaki, Oita vice-governor, said in a statement, "We cannot accept additional burdens, as we have already shouldered big loads, such as Japan-U.S. joint exercises."

Meanwhile, Toshikazu Katsumata, who heads a group of landowners in the cities of Gotemba, Susono and the town of Oyama in Shizuoka Prefecture, where the Higashifuji Range is located, is more cautious.

He said that he has no objection to negotiating with the central government, but added that he will carefully study whether new exercise plans in the Higashifuji Range will conflict with the central government's stated plan of returning the range to locals.

Japan: Aomori Landowner Sues for Return of Land in U.S. Base

OW2908085196 Tokyo KYODO in English
0830 GMT 29 Aug 96

[FBIS Transcribed Text] Aomori, Japan, Aug. 29 KYODO — The part owner of a plot of land being used by a U.S. military base in northeastern Japan on Thursday sued the state for the return of the parcel, claiming he is receiving unfair compensation.

Yaichi Yamamoto, a member of the Misawa City Assembly, filed the suit with the Hachinohe branch of the Aomori District Court primarily seeking the return of the some 5,800-square meter plot of land being used by the U.S. Misawa base in the city.

"The lease price we are receiving is unfairly low and for four years we have not received a receipt for the lease of the land," Yamamoto, 53, said.

"The government has not been acting in good faith," Yamamoto said after filing the suit against the state. "It is the same as the Okinawa base problem where the government brings a lawsuit while asking citizens for their cooperation on national policy."

According to his lawsuit, Yamamoto was part owner of a plot of land that was acquired by the state from 1972 and used by the U.S. base for about 20 years.

In 1992, Yamamoto, as head of the group owning the land, requested an increase in rent from the Sendai Defense Facilities Administration Bureau, but was not given a response.

The owners under Yamamoto refused the receipt of the lease of the land after the request was denied and Yamamoto left his post as chief of the landowners' group in 1994 after failing to receive a reply.

The Sendai Defense Bureau said, "We have not seen the petition yet, so we have no comment to make."

Japan: PRC, U.S. Engage in Tug-of-War To Win Favor of DPRK

OW2808110596 Tokyo SHUKAN DAIYAMONDO
in Japanese 31 Aug 96 P 18

[Unattributed article]

[FBIS Translated Text] The PRC and the United States are engaged in a fierce tug-of-war in connection with the DPRK.

To begin with, the PRC seemed to have made up its mind to provide the DPRK with a full-scale assistance now, in spite of the past cold-hearted attitude following the refusal of the PRC's request for a DPRK visit by Jiang Zemin last autumn. Behind this change of attitude exists a fact that Taiwan secretly provided the DPRK with 20,000 tons of food assistance this March. In the past several months the PRC already shipped by sea a total of 120,000 tons of corn in the form of a grant.

The PRC also constructed refugee camps which can accommodate 100,000 people along the Chinese border. It also began to accept refugees fleeing from North Korea where a famine is in progress to the Korean Autonomous Prefecture in the Chinese territory in an attempt to seek assistance from the descendants of the Korean race.

A series of such developments are getting on the nerves of the United States. Sources close to the U.S. Department of Defense interpret the Chinese actions as an attempt to drive a wedge in the Kim Chong-il regime's "pro-U.S. policy" which is becoming stronger since the nuclear negotiations.

As a matter of fact, the United States earmarked a fund in the amount of \$26.5 million since 1994 to supply the DPRK with crude oil and gave food assistance on four occasions in the past eight months equivalent to a total of \$8.2 million. And the construction will soon begin on a light-water nuclear reactor with a total value of \$4 billion approved by the KEDO launched in accordance with the 1995 Geneva agreement between the United States and the DPRK. As it now stands, the DPRK has

become one of major benefactors of the U.S. foreign assistance.

As a result, it has become irrefutable that the Kim Chong-il regime now takes a line of substantial reliance on the United States which is substantiated by the disappearance, for some time, of the term "U.S. imperialism" from the DPRK Workers Party's organ. It is a grave matter on the part of the PRC.

In a word, if North Korea collapses under its present difficulties and is absorbed into the Republic of Korea at its own initiative, a new unified nation that would emerge in the Korean Peninsula would naturally be incorporated into the Western Camp and turn out to be a powerful military nation in the eyes of the PRC.

A UN specialist on East Asian affairs commented on the matter: "The countries that are afraid of an eventual North-South unification at this point in time will be in the order of the PRC, Japan, the ROK and the United States." "The possibility of the establishment by the military leadership of a pro-PRC regime if the PRC succeeds in making its influence felt, however, will all of sudden become the worst scenario for the United States, the ROK and Japan."

The United States makes a similar analysis. The PRC may be intending to let the military leadership establish a pro-PRC regime, by boosting the number of pro-Chinese elements through concentrated material assistance to the military sector, and to expel Secretary Kim Chong-il who has become an out-and-out pro-U.S. figure, through a coup of the pro-PRC cadres.

As North Korea's collapse has become imminent, both the United States and the PRC have suddenly started to move in a flurry. It is not an exaggeration to say that the power game between the United States and the PRC on the Korean Peninsula stage is now approaching to its final phase.

Japan: PRC Spokesman Responds to Ikeda Remarks on Senkaku Islands

OW2908104796 Tokyo KYODO in English
0955 GMT 29 Aug 96

[FBIS Transcribed Text] Beijing, Aug. 29 KYODO — China said Thursday that remarks made by Japanese Foreign Minister Yukihiko Ikeda concerning Japan's sovereignty over the Senkaku [Diaoyu] Islands were irresponsible and accused the Tokyo government of supporting the activities of right-wing militarists.

"The remarks by Japanese Foreign Minister Ikeda were most irresponsible. The Diaoyu Islands have been an inherent part of China since ancient times... [ellipses as

received] They are a part of Chinese territory and this is irrefutable," Foreign Ministry spokesman Shen Guofang said.

Japan claims the right over the islands which the Japanese call the Senkaku Islands.

During talks with Hong Kong officials Wednesday, Ikeda reiterated the Japanese claim to sovereignty over the islands and ruled out giving them up, a Japanese official spokesman in Hong Kong said.

Shen also said that recent actions by Japanese right-wing elements on the islands, including the setting up of a makeshift lighthouse, were illegal and he called on the Japanese Government to take effective measures to outlaw such actions.

"The recent words and actions of some Japanese right-wing groups and other people are not accidental and directly related to the attitude of the Japanese Government," Shen said, citing the recent controversial visit by Prime Minister Ryutaro Hashimoto and several cabinet members to the Yasukuni Shrine where war criminals are enshrined together with the war dead.

Shen further cited the Sino-Japanese joint communique which established diplomatic relations 24 years ago and stressed that the basis of Japanese-Chinese relations rested on "correct understanding" of the history of Japan's war of aggression on China.

However, Shen said China's consistent position has been to shelve the territorial dispute and avoid any actions leading to the intensification of the situation.

"Shelving this dispute in no way signifies that we will tolerate Japanese right-wing groups and extremists carrying out illegal activities or activities which violate China's sovereignty," he said.

Japan: Report Proposes Use of Arms on Commanders' Instructions

OW2808104796 Tokyo ASAHI SHIMBUN
in Japanese 26 Aug 96 Morning Edition p 1

[FBIS Translated Text] The Prime Minister's Office's International Peace Cooperation Headquarters (IPCH), which has promoted the review of the UN Peacekeeping Operations (PKO) Cooperation Law, has compiled a report calling for permitting Self-Defense Forces (SDF) peacekeepers to use weapons on the instructions of each unit commander. So far, a judgment on whether to use arms has been left up to each peacekeeper. IPCH Secretary General Kojiro Takano will soon submit to Chief Cabinet Secretary Seiroku Kajiyama the report, which is expected to arouse constitutional arguments over the use of weapons.

The IPCH also studied exempting the dispatch of SDF troops overseas for "international humanitarian relief operations," such as rescuing refugees, from the application of "five PKO principles," which set conditions, such as a truce accord between warring parties, on the dispatch of peacekeepers. However, it decided that for the time being, only the supply of goods should be exempted from the application.

The PKO Cooperation Law took effect in August, 1992. It stipulates that the law should be reviewed three years after it was put in force. In August, 1995, the IPCH began review work on then Chief Cabinet Secretary Koken Nosaka's instructions. It has promoted discussions on the review with the Defense Agency and the Cabinet Legislation Bureau.

Under the existing law, an SDF peacekeeper is allowed to use weapons only when he has no alternative but to use them to protect the life of himself or his colleagues. Some in the government and the ruling parties have called for revising this provision, saying: "Some SDF troops dispatched to Cambodia claim that the provision, which leaves a decision to use arms to each peacekeeper, imposes heavy psychological pressure on them," and "To avoid the expansion of accidental armed conflicts, a decision to use weapons should be left to commanders."

So far, the judgment has been left to each peacekeeper to make a clear distinction between the use of weapons and the use of force overseas, which is banned by the Constitution. The proposal of allowing peacekeepers to use arms on commanders' instructions will certainly arouse constitutional controversy. Also, it is likely that the Social Democratic Party will oppose the idea.

Japan: Foreign Minister Ikeda Arrives in Hong Kong Amid Protest

OW2808133796 Tokyo KYODO in English
1120 GMT 28 Aug 96

[FBIS Transcribed Text] Hong Kong, Aug. 28 KYODO — Japanese Foreign Minister Yukihiko Ikeda arrived in Hong Kong on Wednesday on his way home from a Middle East trip amid a protest by some 300 demonstrators demanding Japanese compensation for wartime atrocities.

Brandishing placards demanding Japan repay wartime debts in Asia, the demonstrators staged a rally in a park in central Hong Kong and Marched to the Japanese consulate in Hong Kong in the morning.

Jack Edwards, a former British prisoner of war of the Japanese during World War II and one of the demonstrators, said that a similar protest rally will be

held again in the future if Japan attempts to whitewash its wartime past.

Meanwhile, some 50 demonstrators staged a rally in front of the Hong Kong government building in the afternoon in protest at Japanese claims to the Senkaku Islands in the east China sea, known as Diaoyu in China which also claims them.

They used loudspeakers in denouncing Japanese militarism.

Ikeda will return to Tokyo on Thursday, winding up his Middle East trip that took him to Egypt, Syria, Jordan and Israel.

Japan: Russian Coast Guard Fires on Ships Off Hokkaido; 2 Injured

OW2808044496 Tokyo KYODO in English
0353 GMT 28 Aug 96

[FBIS Transcribed Text] Kushiro, Japan, Aug. 28 KYODO — Two Japanese fishermen were injured Wednesday when Russian coast guard boats fired on two ships in waters off Cape Nossapu in Eastern Hokkaido, the Maritime Safety Agency (MSA) said.

MSA officials identified the injured as Kunio Horiuchi, 44, and Akira Takiguchi, 54.

Horiuchi, captain of the 4-ton Shoku Maru no. 28, and Takiguchi, captain of the 4-ton Taiki Maru no. 52, were taken to a hospital in Nemuro.

Cape Nossapu is close to the Russian-held Habomai group of islands. Japan claims the Habomai group, as well as Etorofu, Shikotan and Kunashiri islands, which were seized by Soviet troops in the final days of World War II.

Japan: Foreign Ministry Asks Russia To Investigate Firing at Ships

OW2808135896 Tokyo KYODO in English
1220 GMT 28 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 28 KYODO — The Foreign Ministry requested the Russian Embassy on Wednesday to investigate the firing by the Russian Coast Guard on two Japanese fishing boats and never to repeat such actions, ministry officials said.

The ministry told the embassy that firing at unarmed, private ships, whatever the reason, is unacceptable, the officials said.

Two Japanese fishermen were injured when Russian Coast Guard boats fired on two ships earlier in the day in waters off Cape Nosappu in eastern Hokkaido, according to the Maritime Safety Agency (MSA).

MSA officials identified the injured as Kunio Horiuchi, 44, and Akira Takiguchi, 54.

Horiuchi, captain of the 4-ton Ghokyu Maru No. 28, and Takiguchi, captain of the 4.9-ton Taki Maru No. 52, were taken to a hospital in Nemuro on the main northern island of Hokkaido. Other crewmen on the ships were unharmed.

According to MSA investigations, the two ships were in waters close to the Russian-Japanese border area which was covered in thick fog.

The Russian Coast Guard admitted it has fired at the two Japanese vessels, saying they entered Russian waters despite repeated warnings by the Coast Guard, INTERFAX News Agency reported.

But members of a fishing cooperative in Nemuro quoted Takiguchi as saying he cannot understand why the Russians shot at their ships "in that sea area."

Cape Nosappu is close to the Russian-held Habomai group of islets which are claimed by Japan, as well as Etorofu, Shikotan and Kunashiri islands. All the islands were seized by Soviet troops at the end of World War II.

Japan: Tokyo Offers Y1.02 Billion to Train Syrian Engineers

OW2408074596 Tokyo KYODO in English
0714 GMT 24 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 24 KYODO — Japan will extend a grant of up to 1.02 billion yen [Y] to Syria for a program to train electric engineers, the Foreign Ministry said Saturday.

Notes on the economic assistance were exchanged in Damascus the same day, which was timed to coincide with Foreign Minister Yukihiko Ikeda's visit to Syria, the ministry said.

Ikeda arrived in Syria on Friday on the second leg of his four-nation tour of the Middle East. He visited Egypt and will proceed to Jordan and Israel.

Japan: Tokyo Offers 55 Billion Yen Loan to Brazil

OW2608153096 Tokyo KYODO in English
1516 GMT 26 Aug 96

[FBIS Transcribed Text] Brasilia, Aug. 26 KYODO — Japan and Brazil on Monday exchanged notes on Japan's low interest loan of up to 55.19 billion yen to Brazil to help finance the Latin American country's environmental protection projects, Japanese officials said.

The yen-denominated official credit will be used for four projects — to counter the flooding of a river, improve water supplies, bolster drainage conditions and build a wind power generation plant, the officials said.

Japanese Prime Minister Ryutaro Hashimoto made a pledge to extend the loan in a meeting in Tokyo in March with Brazilian President Fernando Henrique Cardoso.

Japan: Foreign Ministry Announces Y771 Million Grant to Jordan

OW2508075396 Tokyo KYODO in English
0724 GMT 25 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 25 KYODO — Japan will grant up to 771 million yen (Y) to Jordan to finance a project to build a new bridge linking Jordan and Israel, the Foreign Ministry said Sunday.

Jordanian Prime Minister 'Abd-al-Karim al-Kabariti and Foreign Minister Yukihiko Ikeda exchanged documents on the economic aid in Amman the same day, the ministry said.

Ikeda arrived in Jordan on Saturday on the third leg of his four-nation tour of the Middle East. Earlier he visited Egypt and Syria and will also go to Israel.

He will return home Thursday [29 August] after making a stopover in Hong Kong.

Japan: Ireland Seizes 2 Japanese Trawlers for Illegal Fishing

OW2308145696 Tokyo KYODO in English
1444 GMT 23 Aug 96

[FBIS Transcribed Text] Aomori, Japan, Aug. 23 KYODO — The Irish Navy has seized two Japanese tuna trawlers and taken them to port on suspicion they were fishing illegally in the nation's western waters, the ship's owners said Friday.

It is the first time Irish authorities have detained Japanese vessels inside the country's 200-nautical mile economic zone on suspicion of illegal fishing.

Irish Navy officers seized the Shoshin Maru on Thursday, following the seizure of the Minato Maru on Wednesday.

The Shoshin Maru is based in the northern Japanese city of Hachinohe, Aomori Prefecture, along with the Minato Maru, Foreign Ministry sources said. The boat has a crew of 22 — 16 Japanese and six Indonesians.

The Minato Maru was seized after an inspection found 8.5 tons of tuna in its hold and 112 kilometers of long-line fishing gear allegedly used by the Japanese trawler, news reports from the area said.

The 379-ton trawler usually carries a crew of 18 and was scheduled to return to Japan next March, said Sugimoto Shoten, the company that owns the ship.

The company received a call Wednesday informing it of the seizure. Sugimoto Shoten reported that none of the all-Japanese crew had been injured in the incident.

The company's president went to Tokyo to seek the help of the Fisheries Agency in the affair.

"We are worried because we are not well informed about the incident," a spokesman for the company said about the Minato Maru, which departed from Hachinohe last November.

A further 30 Japanese vessels were reportedly grouped just outside Irish waters.

Ireland reportedly detained several vessels, mostly Spanish, last year in a show of strength over the protection of its waters for Irish fishing boats and licensed operators from other European Union states.

Japan: FY97 National Debt-Servicing Costs To Top Y18 Trillion

OW2908121496 Tokyo KYODO in English
1133 GMT 29 Aug 96

[FBIS Transcribed Text] Aug. 29 KYODO - The Finance Ministry will request 18,269.4 billion yen as national debt-servicing costs for fiscal 1997, up 11.6 percent from the amount earmarked in the fiscal 1996 budget, ministry officials said Thursday.

The sum sought by the ministry for debt servicing next year accounts for as much as 85.6 percent of its overall general account budget requests for the year that starts next April, the officials said.

Each government ministry will make fiscal 1997 budgetary appropriations requests through Friday [29 August]. Based on the requests, a draft fiscal 1997 budget will be compiled by the end of this year.

Of the 18,269.4 billion yen request, 5,571 billion yen will be used to cover repayment of the principal of government bonds and borrowings from the government's special accounts and others, the officials said.

The requested debt principal repayment costs are up 22.6 percent from the sum registered in the fiscal 1996 budget, they said.

Requests for government bond redemption total 4,635.2 billion yen, up 26.1 percent, and those for repayment of borrowings stand at 935.9 billion yen, up 7.8 percent, the officials said.

The 18,269.4 billion yen requests also include 12,552.6 billion yen for interest payments of government bonds and borrowings as well as discount fees for government securities, they said.

The requested costs for interest and discount fee payments are 7.3 percent larger than the expenditures allocated in the fiscal 1996 budget.

The ministry's overall spending requests for fiscal 1997, meanwhile, include 445 billion yen for overseas economic cooperation-related expenditures, up 3.9 percent, and 57 billion yen for measures to help foster small and medium-sized companies, unchanged from the amount earmarked in the fiscal 1996 budget, the officials said.

The ministry's requests covered by the core spending category of general operating expenditures total 1,775.1 billion yen, down 0.2 percent, they said.

General operating expenditures cover overall general account spending minus such obligatory costs as national-debt servicing costs and mandatory allocation of funds to special accounts.

For a 500 billion yen special spending quota in the fiscal 1997 general account budget for disbursing funds to priority public investment projects, the ministry will request a total of 5 billion yen, the officials said.

Projects to be covered by the 5 billion yen will include those to rebuild old houses for civil servants, while making them resistant against fires, earthquakes and other disasters, they said.

For a 300 billion yen spending quota introduced to promote structural reforms in the Japanese economy, the ministry will ask for 7.8 billion yen to expand the on-line networks linking tax offices, the officials said.

Japan: Hashimoto on Extra Budget, U.S. Visit Plan
OW2908105396 Tokyo KYODO in English
1049 GMT 29 Aug 96

[FBIS Transcribed Text] Kona, Hawaii, Aug. 28 KYODO — Japanese Prime Minister Ryutaro Hashimoto said Wednesday [28 August] he will have to wait until mid-September to decide whether to compile an extra budget in a bid to rev up the national economy.

Hashimoto was speaking to reporters traveling with him on his five-nation Latin American tour in reference to the latest quarterly survey of business sentiment by the Bank of Japan released Wednesday which showed signs that the pace of economic recovery remains slow.

Hashimoto arrived in Hawaii on Wednesday night on his way home from a five-nation Latin American tour that took him to Mexico, Chile, Brazil, Peru and Costa Rica.

Hashimoto stopped short of referring to the issue of when he will call an extraordinary Diet session, saying that the extra budget must be contemplated first.

There has been lingering speculation that Hashimoto would dissolve the Diet for a poll soon after he convenes an extraordinary diet session.

The next general election for the House of Representatives is not mandated until July 1997.

Asked to comment on a new party proposed by former New Party Sakigake Chief Secretary Yukio Hatoyama, Hashimoto said the new party must raise its Diet seats in the next general election to have weight in politics.

"That depends on whether they can draw public attention," Hashimoto said.

Hatoyama said Wednesday in Tokyo that he would leave Sakigake and then launch a new party around mid-September.

Sakigake is the smallest element of the tripartite ruling coalition led by Hashimoto.

In other remarks, Hashimoto said he wants to attend the U.N. General Assembly in late September in New York but suggested that he would not have a meeting with U.S. President Bill Clinton.

"I would like to avoid being involved in the U.S. Presidential race," he said.

Hashimoto is to return home on Friday.

Japan: Finance Minister Said Cautious on Compiling Extra Budget

OW2808110696 Tokyo KYODO in English
0942 GMT 28 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 28 KYODO — Finance minister Wataru Kubo showed a cautious stance Wednesday on compiling a supplementary budget to help support the economy's recovery.

Although the key bank of Japan (BOJ) "Tankan" survey released earlier in the day showed a deterioration in business sentiment for major manufacturers, it is too early to conclude such an extra budget is necessary, Kubo said at a news conference.

The Tankan survey said the key business confidence index of major manufacturers worsened to minus 7 in August from minus 3 in the previous survey in May, marking the index's first fall in a year.

Kubo said that from the Tankan data alone, it cannot be said that Japan's economic recovery is slipping back to marking time.

Kubo said he wants to watch gross domestic product (GDP) data for the second quarter of the year for a closer analysis of the current economic situation.

The GDP figures for the April-June period are due to be released in mid-September.

Kubo also said the BOJ is expected to continue its easy monetary policy stance for the time being.

The BOJ has been making known its policy of giving priority to consolidating the groundwork for the economy's recovery and that there would be no change in the stance, he said.

The BOJ has left the official discount rate, which is charged by the central bank on loans to commercial banks, unchanged at a historic low of 0.5 percent since last September.

Kubo said he wants to consult with Prime Minister Ryutaro Hashimoto on future economic policy management, including whether to compile a supplementary budget, after the premier returns to Japan on Friday from a trip to five Latin American nations.

Japan: Vice Finance Minister Says No Plan for Extra Budget

OW2908101396 Tokyo KYODO in English
0919 GMT 29 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 29 KYODO — Vice Finance Minister Tadashi Ogawa reiterated Thursday his ministry currently has no plan to compile a supplementary budget this fall to help support the economy's recovery.

Although the key Bank of Japan (BOJ) Tankan Survey showed a deterioration in business sentiment of major manufacturers, there is no change in the ministry's assessment that the economy is continuing a mild recovery, Ogawa said at a news conference.

The Tankan Survey released Wednesday said its business confidence index of major manufacturers worsened to minus 7 in August from minus 3 in the previous survey in May, marking the index's first fall in a year.

Ogawa said the latest Tankan data as a whole indicates the economy remains on a recovery path, citing better earnings and investment prospects shown in the survey.

He also said compilation of a supplementary budget should be avoided in view of Japan's strained national finances.

Ogawa tried to play down worries that Japan's recovery might lose steam later in the year as the economy-boosting effects of last year's record 14.2 trillion yen pump-priming package are dwindling.

Considering the amount of public works projects planned for the second half of fiscal 1996 ending next March, there should be no particular concern over the economy's slowing down, he said.

Japan: Kajiyama Stresses Decision on Extra Budget Needs Care

OW2808135696 Tokyo KYODO in English
0914 GMT 28 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 28 KYODO — Chief Cabinet Secretary Seiroku Kajiyama said Wednesday that the government must exercise great care in deciding whether to form an extra budget for the current fiscal year.

He made the comment at a press conference in a response to an unexpectedly poor showing of business confidence in the August "Tankan" quarterly survey by the bank of Japan, released earlier in the day.

In the survey, the key diffusion index for the business confidence of major manufacturers slipped deeper into the negative column, with a reading of minus 7, compared with minus 9 in the previous survey in May.

It was far lower than the index reading of zero predicted in May, and the first such decline since August last year.

Kajiyama said, however, "with that decline alone, we do not necessarily think that the overall economy is turning for the worse."

Asked about calls for a supplementary budget, expected to mount from now on, particularly from the Liberal Democratic Party, the biggest of the three ruling coalition parties, and industry sectors, Kajiyama only said, "a careful decision is necessary."

Japan: EPA Vice Minister Says No Supplementary Budget Needed

OW2908111496 Tokyo KYODO in English
1042 GMT 29 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 29 KYODO — The administrative vice minister for the Economic Planning Agency (EPA) indicated Thursday there is no need for compiling a supplementary budget for fiscal 1996 since the economy is recovering gradually.

"The recent economic indicators, including the Bank of Japan's 'Tankan' survey of business confidence, is within the EPA's assessment that the economy is on a mild recovery track," Shimpei Nukaya said at a news conference in dismissing the need for a supplementary budget to support the economy's recovery.

The worsening of a business confidence indicator for major manufacturers, a key figure in the Tankan Survey,

does not mean the economy has come to a standstill, Nukaya said.

As a bright spot, Nukaya cited an upward revision of corporate capital spending programs for fiscal 1996 shown in the Tankan Survey released Wednesday [28 August].

"The Tankan Survey did not provide us with any evidence to change our assessment (that the economy is gradually recovering)," Nukaya said.

Japan: Farm Minister Questions Forestry Privatization Proposal

OW2708052596 Tokyo KYODO in English
0514 GMT 27 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 27 KYODO — The farm minister warned Tuesday that a government proposal to privatize the deficit-ridden timber industry could result in the purchasers of state-owned plots failing to reforest land after felling trees.

Therefore, said Ichizo Ohara, minister of agriculture, forestry and fisheries, at a news conference, "I wonder how far the government should go in privatizing (timber production and reforestation projects)."

If the government sells its forested land to private businesses, such purchasers would only harvest trees in profitable areas and would ignore loss-making reforestation projects, Ohara said.

"We should examine the issue...From the standpoint of having to conserve forests and prevent floods by afforestation," he said.

The ministry has decided to request budgetary appropriations to launch a new advisory panel on forestry administration, he said, adding that he wanted it to debate the issue "in depth."

Mongolia

Mongolia: Ulaanbaatar To Supply Russia With Uranium

LD2908064596 Ulaanbaatar Radio Ulaanbaatar in Russian 1000 GMT 28 Aug 96

[FBIS Translated Text] Mongolia will start supplying uranium concentrate to the world market next year. Mongoleximholding (Mongol export and import holding) and Ezernaconcern together with the Russian side have set up the company Tulasiuran-Uranium-Central-Asia at the uranium deposit in Martay of Ternez Ayneses.

The package of shares of both Mongolian companies in this company's authorized capital is 67 percent.

Mongolia will produce uranium concentrate, which will be enriched in Russia, then supplied to the world market.

North Korea

DPRK: Kim Yong-sam Should Be Condemned to Death for Repression

SK2908102396 Pyongyang KCNA in English
0827 GMT 29 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 29 (KCNA) — The Kim Yong-sam group should be condemned to capital punishment for their bloody suppression of students in the Grand Reunification Festival.

The Central Committees of the Korean Christian Federation [KCF], the Korean Roman Catholic Association [KRCA] and the Korean Buddhist Federation [KBF] said this in statements Wednesday.

The KCF Central Committee said that if the South Korean society, which has turned into a dead ground of human rights and a wasteland of democracy, is to be redressed, the present group of fascists should be wiped out at once and a genuine independent and democratic government established.

The KRCA Central Committee said the fascist clique's three-dimensional suppression of reunification events is an intolerable crime and the culmination of human right violation, which is replica of the Kwangju massacre. Kim Yong-sam should be condemned to capital punishment with Chon Tu-hwan and No Tae-u, it contended.

The KBF Central Committee denounced the traitor Kim Yong-sam's fascist repression of students as an unpardonable heinous crime, and called upon the South Korean Buddhists and people to damn the traitor.

DPRK: Human Rights Group Denounces Kim Yong-sam in Letter to U.N.

SK2908043396 Pyongyang KCNA in English
0427 GMT 29 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 29 (KCNA) — Yi Chang ha, secretary general of the Association for the Study of Human Rights, sent a letter to the U.N. High Commissioner for Human Rights as regards the grave human rights violations in South Korea during the Kim Yong-sam fascist clique's brutal suppression of "Hanchongnyon" (the South Korean Federation of University Student Councils).

The letter recalled that the Kim Yong-sam fascist group cracked down upon the patriotic students who held the

6th grand reunification festival of Pomsonghanyon (the National Alliance of Youth and Students for the Country's Reunification) with August 15 as an occasion, branding their righteous act as an "illegal rally benefiting the enemy" and a "violent deed". Worse still, the fascists totally sealed off Yonsei University, the venue of the festival events, and checked the supply of food and medicines, even water and electricity, it added.

With such repression and inhumane atrocities, the letter said, the group have revealed themselves as the enemy of reunification, peerless murderers, fascist tyrants and human rights violators.

The group should be made to pay for the August 15 bloodbath, a second Kwangju massacre, it held.

It called for bringing Kim Yong-sam responsible for the bloodbath to the international court on behalf of the progressive humankind and sternly punishing him by law, and condemning on a worldwide scale the human rights violations in South Korea. It also called for efforts for an immediate release of the arrested students and an unconditional stop to the repression of students in South Korea.

DPRK: NODONG SINMUN Decries Kim Yong-sam's Liberation Day Speech

*SK2908043096 Pyongyang KCNA in English
0423 GMT 29 Aug 96 — Official DPRK news agency*

[FBIS Transcribed Text] Pyongyang, August 29 (KCNA) — The traitor Kim Yong-sam in "an address to mark August 15" said that the "liberation of the country which is left unfinished" should be made into a "genuine liberation".

NODONG SINMUN today, commenting on his remarks, says: We brand his remarks as a vicious challenge to and provocation against the people in the northern half of Korea, who are making all sincere efforts for peace in Korea and its peaceful reunification. We will never remain indifferent to his remarks.

The traitor Kim threatened to prevail over the northern half of Korea with the help of outside forces though he had said he would not seek "unilateral unification". His bellicose remarks are a clear evidence that he has neither human reason nor will to reunify the country. They also go to prove that "building of peace system," "inter-Korean dialogue" and "cooperation" on his lips are not worth a penny, but are deceptive words calculated to cover up his true colors as a partitionist and warmonger.

The people in the northern half of Korea have many accounts to square with the traitor. They will never forgive him but make him pay dearly for his crimes.

Kim Yong-sam lacerated the hearts of the fellow countrymen in the northern half of Korea who were in grief over the unexpected misfortune two years ago.

His wild ambition for unification through the invasion of the northern half of Korea with the help of outside forces is a daydream.

DPRK: Literature Extolling Kim Il-song Distributed in ROK

*SK2808135496 Pyongyang KCNA in English
0744 GMT 28 Aug 96 — Official DPRK news agency*

[FBIS Transcribed Text] Pyongyang, August 28 (KCNA) — Writing and literature expressing deep reverence for the Great Leader President Kim Il-song and praising his brilliant exploits were found in South Korea around August 15, the 51st anniversary of the country's liberation, according to the Seoul-based radio Voice of National Salvation quoting provincial and city committees of the National Democratic Front of South Korea (NDPSK). Many copies of literature were scattered in the name of the Paektu Society in Pagoda Park, Seoul, on the early morning of August 14. The literature reads "Brothers and Sisters Greeting the 51st Anniversary of the Liberation of the Country, Let All of Us Pay Homage to President Kim Il-song, the Liberator of the Fatherland and a Peerless Patriot, in Humble Reverence".

Leaflets were scattered in the name of the Society for Celebrating Liberation Day in Sodaemun District where Ehwa Women's University is situated. Printed in the leaflets were a portrait of President Kim Il-song and words revering him.

The words "Long live President Kim Il-song, eternal sun of the nation" were found written on the wall of the building of a company in Namwon City, North Cholla Province, so that many witnesses felt deep reverence for the president.

Several hundred copies of such literature were also seen in Kyongju City, North Kyongsang Province, on August 15.

DPRK: CPRF Vice Chairman Says ROK Repression Damaging N-S Ties

*SK2808150696 Pyongyang KCNA in English
1131 GMT 28 Aug 96 — Official DPRK news agency*

[FBIS Transcribed Text] Pyongyang, August 28 (KCNA) — Yang Hyong-sop, vice chairman of the Committee for the Peaceful Reunification of the Fatherland [CPRF], denounced the South Korean authority for brutally suppressing students' righteous activities for reunification by linking them with the North and

describing their activities as "pro-North" and "enemy-benefiting".

We can never remain an onlooker to the brutal suppression, which has revealed his anti-national position again, he said.

In a statement issued today concerning the harsh crackdown on South Korean students' August 15 activities for reunification, which has caused serious problems in inter-Korean relations, Yang Hyong-sop said:

We take it seriously that when the students' activities were being suppressed brutally, the South Korean chief executive openly said the liberation of the country was an "incomplete independence" and cried for "genuine independence".

His remarks cannot be construed otherwise than a declaration of confrontation and war between the North and the South, a declaration totally negating dialogue and peaceful reunification.

We cannot but sound a note of warning against his reckless remarks.

Before taking power, the South Korean chief executive said that if he came into power, he would have himself recorded in history as "president who contributed to national unification" by making progress in dialogue and discussion of the unification issue.

Since he rose to power, however, he has earned himself ill fame as the only ruler who has no record of dialogue with the North, putting the two halves of Korea in the most acute confrontation and as the authority who backed far the reunification movement and delayed the country's reunification.

As he seeks a total showdown with the North, regarding the North and even the South Korean students as enemy, we cannot treat him with a good faith.

The South Korean authority has made himself the most miserable orphan and denied by himself that he is the dialogue partner of the North.

We consider it difficult to expect dialogue and reconciliation from him because he has incriminated the people's reunification movement and driven inter-Korean relations to the phase of acute confrontation.

It is high time that the South Korean authority took a reasonable decision and action.

DPRK: Hanchongnyon Hunger Strikers Under Medical Care in DPRK

SK2808142596 *Pyongyang KCNA in English*
0944 GMT 28 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 28 (KCNA) — Yu Se-hong and To Chong-hwa, delegates of the South Korean Federation of University Student Councils (Hanchongnyon), and North and overseas youths and students have been hospitalized from Tuesday evening. They staged a fasting in protest against the South Korean authorities' unprecedented crackdown on "Hanchongnyon" and the venal media's misrepresentation of South Korean students' patriotic activities.

They are determined to continue fighting for national reunification after recovering their health as early as possible.

They have been visited at the hospital by working people, youths and students in Pyongyang and overseas compatriots.

DPRK: Pomminnyon Denounces ROK Regime's Repression of Students

SK2808140096 *Pyongyang KCNA in English*
0747 GMT 28 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 28 (KCNA) — The Kim Yong-sam fascist clique brutally cracked down upon students in the 6th Grand Reunification Festival of Pomchonghangnyon (the National Alliance of Youth and Students for the Country's Reunification) and are now hell-bent on the moves to stifle "Hanchongnyon" (the South Korean Federation of University Student Councils).

The headquarters of Koreans in China of Pomminnyon (the National Alliance for the Country's Reunification) issued a statement denouncing their bloody repression and moves.

The statement said the "civilian"-veiled Kim Yong-sam group revealed their anti-national, anti-reunification colors again by blocking the joint holding of the 7th Pan-National Rally in Seoul and repressing by forces students' righteous struggle for the successful 6th Pomchonghangnyon Grand Reunification Festival.

Any fascist suppression can never break the fighting spirit and desire of South Korean people and students for peace and reunification of the country, it stressed, urging the Kim Yong-sam group to apologize to the entire fellow countrymen for their anti-national, anti-reunification crime.

The headquarters and the entire Koreans in China will conduct a more vigorous campaign for support to the patriotic struggle of the people and students in the South who are devoting their youth and lives to peace and reunification of the country, the statement said.

DPRK: KCNA Denounces ROK Meeting on Dismantling Hanchongnyon

*SK2908044696 Pyongyang KCNA in English
0443 GMT 29 Aug 96 — Official DPRK news agency*

[FBIS Transcribed Text] Pyongyang, August 29 (KCNA) — The South Korean fascist clique reportedly called chiefs of seven ministries and agencies, including the "Agency for National Security Planning", the "National Police Office" and the "Ministry of Education", on August 27 to hold a "meeting for practical measures" aimed at dismantling the South Korean Federation of University Student Councils (Hanchongnyon).

At the meeting the fascist clique contended that for the dissolution of "Hanchongnyon" and the removal of "backstage forces" it is necessary to set up a "permanent joint investigation machine" and decided to form a "special roundup squad of police" to arrest the leading members of "Hanchongnyon".

They also attributed the activities of "Hanchongnyon" to the "behind-the-scene manipulation by a pro-North underground organisation" and decided to concentrate on the investigation for collecting information in this regard.

In another development, the fascist clique called out more than 7,000 police of 59 companies on August 28 for a surprise search of 11 universities in Seoul and 12 universities and colleges throughout South Korea.

They also closed up the office of "Hanchongnyon" at Korea University, the office of the Seoul District Federation of University Student Councils (Sochongnyon) at Yonsei University and the North regional office of "Sochongnyon" at Kungmin University by force.

All this shows that the traitor Kim Yong-sam is the most vicious fascist ever known in the world who seeks to totally stamp out the pro-reunification patriotic forces of South Korea through such a sabre-rattling suppression as "new security-oriented politics" and stabilise the latter half of his power.

DPRK: Cuba, Pakistan Attend Consultative Meeting on Youth Fete

*SK2808142396 Pyongyang KCNA in English
0942 GMT 28 Aug 96 — Official DPRK news agency*

[FBIS Transcribed Text] Pyongyang, August 28 (KCNA) — A consultative meeting took place in

Pyeongyang on Wednesday on the 14th World Festival of Youth and Students.

Present there were a delegation of the Kim Il-song Socialist Youth League led by Choe Hyon-tok, secretary of its Central Committee; a delegate of the Korean Youth League in Japan; a delegation of the Ministry of Youth Affairs of Pakistan led by its Minister Ch. Nouraz Shakoar Khan; Claudionor Damasceno, vice-president of the World Federation of Democratic Youth; Rogelio Polanco Fuentes, a delegate of the Union of the Young Communists of Cuba; and other delegations and delegates of youth organisations from different countries.

Speeches were made on the preparations for the 14th World Festival of Youth and Students to be held in Havana in the summer of 1997 and the future action program.

DPRK: Secretary Hwang Chang-yop Meets With Indian Politician

*SK2908103296 Pyongyang KCNA in English
0830 GMT 29 Aug 96 — Official DPRK news agency*

[FBIS Transcribed Text] Pyongyang, August 29 (KCNA) — Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea, today had talks with Anil Mukherjee, member of the Secretariat of the Central Committee of the All India Forward Block.

The two sides informed each other of the activities of their parties and discussed the issue of developing friendly relations between the two parties and a series of matters of common concern.

The talks proceeded in a friendly atmosphere.

DPRK: WPK Secretary Kim Yong-sun Receives Japanese Guests

*SK2808140196 Pyongyang KCNA in English
0940 GMT 28 Aug 96 — Official DPRK news agency*

[FBIS Transcribed Text] Pyongyang, August 28 (KCNA) — Secretary of the Workers' Party of Korea Central Committee Kim Yong-sun met Yoshiaki Hasegawa, mayor of Niigata, Japan, and his party at the Mansudae Assembly Hall today.

Present at the meeting was Kim Yong-su, vice-chairman of the Korean Society for Cultural Relations With Foreign Countries.

The mayor told Kim Yong-sun that their visit to the Democratic People's Republic of Korea is aimed at promoting interchange and cooperation between the

peoples of Japan and the DPRK and expressed the willingness to make strenuous efforts to this end.

He hoped that His Excellency Respected Kim Chong-il will enjoy a long life in good health and the DPRK will be more prosperous.

DPRK: Delegates, Groups of Koreans in Japan Arrive in Wonsan

SK2908012096 Pyongyang Korean Central Broadcasting Network in Korean

1300 GMT 26 Aug 96

— DPRK-owned central radio network

[FBIS Translated Text] A delegation of functionaries of the General Association of Korean Residents in Japan [Chongnyon] led by Paek Chong-won, president of the Federation of Korean Athletes in Japan; a delegation of the Korean Youth League in Japan [Chochong] led by Ko Tok-u, vice chairman of the Chochong's Central Standing Committee; a fatherland-visiting group of students from Chongnyon's Choson University, led by Kwon Se-uk; and the 271st fatherland-visiting group of Korean residents in Japan, on a visit to the socialist fatherland, arrived in Wonsan today on the Mangyongbong-92.

Officials concerned greeted the delegates and visiting groups at the port.

DPRK: WPK Delegation Returns After Visiting Latin American States

SK2908011996 Pyongyang Korean Central Broadcasting Network in Korean

1300 GMT 25 August 96

— DPRK-owned central radio network

[FBIS Translated Text] A delegation of the Workers Party of Korea [WPK] headed by Yim Sun-pil, vice director of a department of the WPK Central Committee, returned home on 25 August by train after visiting various Latin American countries.

Choe Chin-su, vice director of a department of the WPK Central Committee, received the delegation at the Pyongyang Station.

DPRK: Pakistan's Bhutto Sends Condolences to Kim Chong-il

SK2908044396 Pyongyang KCNA in English
0433 GMT 29 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 29 (KCNA) — The great leader Comrade Kim Chong-il received a consolatory message from Pakistani Prime Minister Benazir Bhutto over the flood damage in Korea on Aug. 26.

Upon hearing the news of losses of valuable human lives and property caused by a recent devastating deluge in Korea, she expressed in the message her sincere sympathy with the people in the afflicted area in the name of the Pakistani Government and people.

She expressed belief that the DPRK people will overcome the disaster under the wise guidance of their leadership.

DPRK: Chinese Army Performers Send Gift to Kim Chong-il

SK2908041596 Pyongyang KCNA in English
0406 GMT 29 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 29 (KCNA) — The great leader Comrade Kim Chong-il received a gift from the visiting song and dance ensemble of the Chinese People's Liberation Army (CPLA).

The gift was handed to an official concerned by Tian Aixi, head of the song and dance ensemble of the CPLA.

DPRK: KPA, PLA Performers Put On Joint Show at House of Culture

SK2908042896 Pyongyang KCNA in English
0409 GMT 29 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 29 (KCNA) — The song and dance ensemble of the Korean People's Army [KPA] and the visiting song and dance ensemble of the Chinese People's Liberation Army [PLA] gave a joint performance at the April 25 House of Culture on August 28.

Korean artists sang Korean songs including "Always Looking Up To the Leader" and "Thunder on Chong-il Peak" as well as Chinese songs which represent the powerful effort to build socialism with Chinese characteristics under the leadership of the Communist Party of China.

Chinese artists put on the stage songs and dances.

They sang the immortal revolutionary hymn "Song of General Kim Il-song" and "Dear Leader Is With Us" in Korean to be acclaimed by the audience.

Their joint performance demonstrated the invincibility of Korea-China friendship, which was sealed with blood and has overcome all trials of history, and the will of the peoples and armies of the two countries to always remain brothers and comrades-in-arms in the joint struggle against imperialism and for the victory of socialism.

DPRK: PRC Army Performers Visit Mt. Taedok Post, Panmunjom

SK2908045796 Pyongyang Korean Central Broadcasting Network in Korean

1300 GMT 26 Aug 96

— DPRK-owned central radio network

[FBIS Translated Text] On 26 August, the song and dance ensemble of the Chinese People's Liberation Army [PLA] led by Maj. Gen. Tian Aixi, deputy head of the cultural section of the PLA General Political Department, visited an outpost on Mt. Taedok.

When the guests arrived at the outpost, the soldiers of this outpost warmly welcomed the goodwill envoys of the PLA by waving bunches of flowers. The soldiers then handed the flowers to the leading members and main artistes of the ensemble.

The guests looked around while listening to the explanation about the outpost, a prominent site where the fatherly leader and the respected and beloved supreme commander Comrade Kim Chong-il left undying traces 33 years ago for the development of the revolutionary armed forces, and where they set forth the historic "A-match-for-a-hundred" slogan.

The guests expressed their admiration for the fact that the soldiers have been firmly prepared to strike down any enemy's aggression at a stroke by intensifying combat and political training and by inscribing in their hearts the glorious day of 18 March when the respected and beloved General Kim Chong-il visited the outpost.

On the same day, the PLA song and dance ensemble held a performance at the outpost.

Prior to this, on 25 August, the ensemble inspected Panmunjom. After the inspection, the head of the ensemble said that one Korea has been divided into two, with the Military Demarcation Line in between, and that the reunification of Korea is an aspiration of Korea as well as of the Chinese people.

DPRK: NODONG SINMUN Praises Kim Chong-il Discourse on Youth Day

SK2908044396 Pyongyang KCNA in English

0419 GMT 29 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 29 (KCNA) — "Let Us Exalt the Brilliance of Comrade Kim Il-song's Idea on the Youth Movement and the Achievements Made Under His Leadership", an immortal classical work published by the great leader Comrade Kim Chong-il on the fifth anniversary of the Youth Day, is an undying militant banner which indicates a bright road of the youth movement of our era.

NODONG SINMUN says this in an editorial today.

The work gives a clear exposition of the orientation and way of the youth movement in the period when the Korean revolution and the Korean youth movement have entered a new stage of development, the daily says, and notes:

The important idea of the work is that the Korean youth movement should be developed into a chuche-based youth movement along the road indicated by the great leader Comrade Kim Il-song, so that all the young Korean people can be more firmly prepared to be the young vanguard of the party and the successor to the revolution to carry forward and accomplish the revolutionary cause of chuche.

The work is, first of all, a precious one which consummates Comrade Kim Il-song's original idea on the youth movement and his immortal feats.

It is a great encyclopedia which comprehensively expounds all the problems arising in developing the Korean youth movement ceaselessly in keeping with the requirement of a new high stage of the movement and the building of the youth organisation.

It clarifies the tasks and ways of the Kim Il-song Socialist Youth League to discharge its mission and duties as the youth organisation named after the leader, and the precious guidelines for the Korean youth to more firmly prepare themselves to be the young vanguard of the party, the heirs to the revolution, who are accomplishing the chuche revolutionary cause.

The tasks for the Korean youth to become sons and daughters remaining unfailingly loyal and dutiful to the party and the leader, staunch champions, powerful builders and reliable defenders of socialism of chuche, and vanguard fighters in the struggle for national reunification and true human beings with noble and beautiful moral traits and [word indistinct] persons possessed of modern science and technology and all other tasks set forth in the work are the precious guidelines the young Korean people should constantly uphold.

The work is a brilliant fruition of the energetic ideological and theoretical activities and leadership of Comrade Kim Chong-il, who is leading the communist youth movement to certain victory.

DPRK: Daily—Kim Chong-il 'Great Man' With Noble Love, Emotion

SK2808135296 Pyongyang KCNA in English
0740 GMT 28 Aug 96 — Official DPRK news agency

["Great Man With Noble Human Love and Emotion" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 28 (KCNA) — The Great Leader Comrade Kim Chong-il is a man with warm human love, moral sense of obligation and deep emotion, as well as a prominent statesman and iron-willed brilliant commander.

NODONG SINMUN stressed this in an article titled "Great Man With Noble Human Love and Emotion" on Tuesday.

The respected General Kim Chong-il, who is identical to the respected leader Comrade Kim Il-song in ideology, feelings and emotion, is the greatest of great men, the author of the article noted, and said:

Comrade Kim Chong-il is a great man who has warm human love for the working masses and treasures a moral sense of obligation between comrades more than anything.

His heart is filled with love of the father who would like to provide the people with better things.

He regards pains of the people as his own and their happiness as his own joy.

He likes very much to see the people's might moving mountains and filling up sea and go among the working people.

What he despises most is bureaucratism that ignores the masses and lords it over them, an inhuman deed of disregarding man's personality and dignity, and a betrayal to the people's trust.

His peculiar character is to trust to the end a person whom he once trusted.

His maxim is the Mangyongdae family's noble view on human life that only a person who is ready to lay down his life for his comrade can get a genuine comrade.

If there is a comradely obligation in the world which keeps flowering on a rock, it will be his sense of obligation.

General Kim Chong-il is a leader of sentiment and a great human being with rich emotion.

His smile is that of human love and of revolutionary optimism.

His tears are the cream of the noblest human love. They reflect yearning and deep love for his men with whom

he shared sweet and bitter, and his rock-firm will to bring into practice their aspiration.

From his early years he has been well versed in all spheres of literature and art and possessed of the noblest cultural emotion that a communist revolutionary should. He appreciates a large number of literary and art pieces in the midst of busy days solving the most urgent problems of the times and enjoys an emotional life even in the grim period decisive of the destiny of the revolution.

The Korean people will make a vigorous stride along the long and long course of the revolution [as received], cherishing deep in mind the great honour and happiness of having the peerless great man at the head of the revolution, the article stressed.

DPRK: Youth League Officials, Youth Honor Kim Il-song

SK2808231996 Pyongyang KCNA in English
2213 GMT 28 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 28 (KCNA) — Officials of the Kim Il-song Socialist Youth League [KISSYL], young servicemen and students laid floral baskets before statues of the Great Leader President Kim Il-song throughout the country today, the fifth youth day.

Officials of the Youth League Central Committee, young soldiers and students in Pyongyang placed floral baskets and bouquets and bowed before his statue on Mansu Hill.

His statues in all parts of the country were also visited today by many youth league members, young servicemen and students. They laid floral baskets and bouquets before the statues and paid homage to President Kim Il-song. They vowed to hold him in high esteem for all ages and remain the reliable young vanguard of the Workers' Party of Korea by dynamically accelerating socialist construction and accomplishing the revolutionary cause of *chuche* through generations, inspired by "Let us exalt the brilliance of Comrade Kim Il-song's idea on the youth movement and the achievements made under his leadership", a historic work published by the Great Leader Comrade Kim Chong-il, to mark the fifth Youth Day.

DPRK: Meeting at Kim Il-song Stadium Begins Youth Day Festivities

SK2908032296 Pyongyang KCNA in English
0259 GMT 29 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 29 (KCNA) — A meeting was held at Kim Il-song

Stadium Wednesday to open the Tenth National Youth and Children Festival of Loyalty.

This festival will mark an occasion of importance in closely rallying the youths and children of the country around the great leader Comrade Kim Chong-il and further training them to be the reliable young vanguard of the Workers' Party of Korea who defend and successfully carry forward the chuche cause of socialism. The festival will be held, divided into political, economic, art and sports events.

Choe Yong-hae, first secretary of the Central Committee of the Kim Il-song Socialist Youth League, said in an opening address:

All the youth league officials and youths and children should take an active part in the festival and fully demonstrate the heroic mettle and optimism of eight million Korean youths and children.

On the same day, an evening of youth and students in Pyongyang was held at Kim Il-song Square.

The participants in the evening danced to the tune of songs "Our Comrade Kim Chong-il", "Youth and Bravery", "Let's Defend Socialism" and "Eight Million Members of the Youth League Are Rifles and Bombs".

Participating in the evening were Yi Chong-ok, Politburo member of the WPK Central Committee and vice-president of the DPRK, and senior party and government officials.

Invited to the meeting and evening were delegations and delegates from different countries staying in Korea to participate in the celebrations of the fifth Youth Day, including a Pakistani delegation of the Ministry of Youth Affairs led by Minister Ch. Nauroz Shakoor Khan.

DPRK: Politburo Members Visit Economic Units To Mark Youth Day

*SK2808140396 Pyongyang KCNA in English
1125 GMT 28 Aug 96 — Official DPRK news agency*

[FBIS Transcribed Text] Pyongyang, August 28 (KCNA) — Senior party and government officials of Korea spent August 28, the Youth Day, with young people.

The Youth Day is a revolutionary holiday which demonstrates the faith and will of the young Korean people to defend and exalt the great exploits performed by the Respected Leader President Kim Il-song in the youth movement and develop the movement onto a new higher stage under the leadership of the party.

Pak Song-chol, Kim Yong-nam, Kye Ung-tae, Han Song-yong, other party and government cadres vis-

ited industrial establishments and cooperative farms including the Pyongyang Thermal Power Complex, the Kim Chaek Iron and Steel Complex, the Haeju Youth Paper Mills, the construction site of the Wonsan-Mt. Kumgang Railway Project, the Pyongyang Silk Mill and Chongsan Cooperative Farm in Kangso District, Nampo, and universities to warmly congratulate and encourage the young people on their holiday.

They saw art performances and played sports and amusement games with them.

Greeting their holiday, the young Korean people throughout the country hardened their determination to defend and glorify Korean-style socialism centred on the popular masses by successfully carrying out their mission and obligation as youth vanguards and successors to the revolution in the struggle to carry forward and accomplish the revolutionary cause of chuche.

DPRK: Report Meeting Held To Mark Anniversary of Kim Chong-il Publication

*SK2808220896 Pyongyang Korean Central Broadcasting Network in Korean
1100 GMT 26 Aug 96
— DPRK-owned central radio network*

[FBIS Translated Excerpt] A report meeting was held on 26 August at the People's Palace of Culture to mark the 5th anniversary of the publication of the classic work of Comrade Kim Chong-il, the great leader [widaehan yongdoja] of our party and our people, titled "Young Men and Women, Be the Vanguard Unfailingly Loyal To the Party and the Leader [suryong]." [passage describing the meeting venue omitted]

Those attending the report meeting were Comrade Yi Chong-ok, member of the Political Bureau of the Workers Party of Korea [WPK] Central Committee and vice president; Comrade Choe Tae-pok, candidate member of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee; Comrade Kim Chung-nin, secretary of the WPK Central Committee; Comrade Chang Chol, vice premier of the Administration Council; and other pertinent officials, as well as officials of the youth league and young people and students.

The report meeting began with the chorus of "Song of General Kim Il-song" and "Song of Dear Comrade Kim Chong-il."

Choe Yong-hae, first secretary of the Central Committee of the Kim Il-song Socialist Youth League, delivered a report at the meeting. [passage on Choe's speech omitted]

DPRK: Mundok County Accelerates River Improvement Works

SK2908060896 Pyongyang Korean Central Broadcasting Network in Korean
2200 GMT 26 August 96
— DPRK-owned central radio network

[FBIS Translated Text] According to a report by station reporter Kang Yong-tae, functionaries and workers of organs and enterprises in Mundok County, South Pyongan Province, are vigorously accelerating the river improvement works, upholding the party's idea on land management.

Being deeply aware of the significance of land management work, the functionaries and workers of this county's organs and enterprises have solidly embanked the Munchon River and the Anim River, widened the river's width, and neatened stonewalls.

In order to prevent the river courses from overflowing during the rainy season, they have removed 20,000 cubic meters of soil, thus widening the river width by 10 meters. In addition, they have reinforced and rebuilt 4 km of dikes more sturdily.

In the meantime, after this year's rainy season, farmers of Yongnim, Masan, and Nami cooperative farms in Mundok County built a 5 km-long sea dike in order to protect cultivated lands.

DPRK: 50th Anniversary of State Symphony Orchestra Marked

SK2908094096 Pyongyang KCNA in English
0820 GMT 29 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 29 (KCNA) — The 50th founding anniversary of the state symphony orchestra was marked.

Over the past 50 years the state symphony orchestra has traversed a proud course ever since it gave the first performance with the undying revolutionary paean "Song of General Kim Il-song".

The art troupe has created and performed symphonies singing of the Workers' Party of Korea and the leader and other symphonies and instrumental music based on various themes to greatly help the party members and working people establish the revolutionary outlook on the leader and encourage them to the revolution and construction.

With the implementation of the outstanding ideas and policies of literature and art put forward by the Great Leader Comrade Kim Chong-il it has grown into a large symphony orchestra of world standard. And it raised the artistry of the composers and artistes and created and

performed symphonies of Korean style so that it greatly helped bring about a new turn in the development of Korean symphonies.

A meeting was held here on August 28 to commemorate the 50th founding anniversary of the symphony orchestra.

The Central Committee of the Workers' Party of Korea in a congratulatory message expressed high appreciation for the great successes in the efforts all the composers and artistes of the state symphony orchestra made to implement the WPK's policy of building socialist literature and art, conscious of the noble duty they assume before the party and the revolution.

South Korea

ROK: U.S. Official Says DPRK 'Reluctant' Over Liaison Issue

SK2908000996 (Internet) The Joong-Ang Ilbo WWW in English 29 Aug 96

[FBIS Transcribed Text] North Korea is reluctant to exchange liaison offices with the United States, a U.S. official was quoted as saying yesterday.

Karl Spencer Richardson, director-designate of to-be-established U.S. liaison office in Pyongyang, told South Korean Foreign Ministry officials yesterday that North Korea is still hesitant to allow the establishment of liaison offices between the two countries. Richardson accompanied U.S. Representative Tony Hall (Democrat, Ohio) on his recent visit to Pyongyang.

ROK: DPRK Official Said To Meet U.S. State Department Official

SK2908020996 Seoul YONHAP in English
0202 GMT 29 Aug 96
— Semiofficial news agency of the ROK

[FBIS Transcribed Text] Washington, Aug. 28 (YONHAP) — A visiting working-level official of the North Korean Foreign Ministry will meet a U.S. State Department official soon and discuss matters of mutual concern such as the proposed four-party talks for peace on the Korean peninsula and further U.S. food assistance to North Korea, a diplomatic source here said Wednesday.

Yi Kun, director of the North Korean Foreign Ministry's American Affairs Desk, is slated to meet with Mark Minton, director of the U.S. State Department's Korea Desk, during his stay here for a seminar, the source said.

Arriving in Washington Tuesday along with An Songnam and Choe Il of the Disarmament and Peace Institute, Yi will attend a seminar sponsored by the Brookings Institute on a peace mechanism for the Korean

peninsula, disarmament and economic cooperation from Thursday through Friday.

Yi and Minton are likely to discuss a wide range of issues including the situation on the Korean peninsula, the proposed four-way peace talks and the exhumation of the bodies of American soldiers killed in the Korean war, the source said.

The source belittled the possibility of the meeting achieving any progress in negotiations on the four-way peace talks proposal, noting that it is only a "working-level" contact.

North Korea's negative attitude toward discussions on the peace talks is expected to persist, he said. He, however, foresaw that Yi will strongly request additional food aid for his nation.

A source at the Brookings Institute, meanwhile, said that the seminar, which he said is to discuss stability and the reduction of tension on the Korean peninsula, will be closed to the public.

The North Korean delegation is also scheduled to attend a closed-door meeting Thursday morning with the Atlantic Council, a civilian security and national defense advisory organization.

ROK: Seoul To Buy Rice Through Bids Regardless of U.S. Protest

SK2908022296 Seoul TONG-A ILBO in Korean
 29 Aug 96 p 2 — South Korea's second-largest and second-oldest daily newspaper

[Report by Pang Hyang-nam]

[FBIS Translated Text] A news flash — Regardless of a U.S. protest and threat to retaliate over imports of Chinese rice, the ROK Government has decided to adhere to its existing policy on purchasing rice through international bids from a country that sets favorable conditions in dealings, such as price.

A government official said on 28 August, "If we had yielded to U.S. demands and imported 72,000 tonnes of Californian rice this year, instead of Chinese rice, we would have had to pay an additional \$7.2 million."

The official disclosed that the ROK Government has already informed the U.S. side of its position, and affirmed that "there is no need to waste budget funds while importing rice, which is a hot potato within the country." Recently, the U.S. side has even called on visiting ROK lawmakers to import its rice. However, the government has consistently adhered to its previous stance that "because the rice is being selected after considering both price and quality, the ROK cannot accept the one-sided demand of the United States."

The official analyzed that the United States has been putting pressure on the ROK to import U.S. rice, foreseeing that the ROK will import much rice in the future due to its decreased rice stock and the impact of the Uruguay Round.

ROK: MND To Seek Arbitration for Compensation From Lockheed

SK2508002596 Seoul SEOUL SINMUN in Korean
 24 August 96 p 1 — Government-run daily newspaper

[Article by reporter Pak Son-hwa]

[FBIS Translated Text] As regards the purchase by the Ministry of National Defense [MND] of P-3C antisubmarine maritime patrol aircraft from the U.S. Lockheed Company, the MND decided to file an application for arbitration with the International Arbitration Court seeking compensation for some \$27 million in losses entailed while purchasing the P-3C's.

On 23 August, the Suit Department of the Seoul District Prosecutor's Office (prosecutor Yi Ki-pae is the head of the department) said: "According to its decision, the MND has sent us the related documents, and we are examining them to decide whether we should approve the application." He added: "The MND decision seems appropriate in view of the national interest."

As soon as it obtains the approval of the prosecutor's office, the MND will proceed with the process of designating counsels of law officers and of submitting the documents for the arbitration application to the U.S. International Commercial Arbitration Court.

The arbitration application is a legal process for seeking compensation between business companies of different countries. The decision by the International Commercial Arbitration Court on member states of the international agreement is as effective as a court ruling. The MND Office of Supply purchased the maritime patrol planes from the leading U.S. military equipment supplier, the Lockheed Company. However, while paying for the aircraft, the MND miscalculated the interest, paying \$27.25 million more than it should have. Thus, the MND has decided to submit an arbitration request asking for the return of \$27.25 million.

The MND signed a contract with Lockheed in November 1990 to purchase eight antisubmarine maritime patrol planes for \$275 million.

It is quite rare for a government to submit a request for arbitration against a foreign company.

ROK: Kim Yong-sam Says DPRK 'Caught Between a Rock and a Hard Place'

SK2508005096 Seoul THE KOREA TIMES in English
25 Aug 96 p 1 — Daily English-language newspaper
published by HANGUK ILBO

[FBIS Transcribed Excerpt] President Kim Yong-sam said yesterday North Korea was caught between a rock and a hard place politically and socially because of its extreme shortage of food, probably in a leadership vacuum.

Therefore, the government is prepared fully for whatever happens in the North, he affirmed.

In a luncheon meeting with 12 social and civic leaders at Chongwadae yesterday, Kim revealed that the current difficulties of North Korea led him to offer "fundamental solutions" to its problems on condition it accepts the four-party talks for peace on the Korean peninsula.

In his congratulatory address marking Liberation Day on Aug. 15, he made it clear that he does not want the North to remain an international outcast, much less see internal confusion. He also said he would not seek a "unilateral" national reunification in his Aug. 15 speech.

President Kim yesterday briefed the civic leaders on the current difficult problems of the North and said the government is ready to provide extensive aid to North Korea if it accepts the four-way talks. He also mentioned signs of leadership absence in the North.

President Kim and U.S. President Clinton put forward the proposal for talks with North Korea with the participation of the United States and China in its pursuit of a new peace formula on the Korean peninsula.

Turning to the destructive and antistate nature of militant student activism, he warned against some sectors which are inclined to think that the government is equally to blame.

Such a mindset should be corrected, otherwise the establishment of a correct view of state and society is impossible, Kim said.

He said Hanchongnyon leaders are not just "pro-North Korean" activists but communists themselves.

Touching on the economic downturn, he said the government is doing all it can to turn it around. As part of the efforts, the government's budget for next year will be unprecedentedly austere, he said, hoping that the general public will follow its lead and refrain from unnecessary spending.

He made similar remarks in a luncheon meeting with managing editors of the nation's leading dailies includ-

ing The Korea Times and TV and radio networks Friday. [passage omitted]

ROK: DPRK To Actively Review 4-Way Talks If Grain Aid Given

SK2908002796 Seoul CHOSON ILBO in Korean
29 Aug 96 p 1 — South Korea's largest and oldest daily; strongly nationalistic and anti-North Korean

[Report by Kim Yon-kwang]

[FBIS Translated Text] It was learned on 28 August that North Korea, while proposing a resumption in 'Beijing-style rice talks,' has informed the ROK of its stance that, in the event the ROK promises grain aid during the rice talks, it could assume an active stance toward the four-way talks.

According to a pertinent government official, North Korea has delivered its position in a letter sent in the name of Chon Kum-chol, adviser to the Committee for the Promotion of External Economic Cooperation. Regarding this, the official commented: "North Korea's stance in effect reflects that grain aid is a precondition for the four-way talks." He went on to say: "North Korea is assuming the position that if 'rice talks' are held between the North and South, there is no need to discuss all the economic cooperation issues, including grain aid, in the four-way talks," adding that "this can be seen as its intention to discuss grain aid and economic cooperation issues separately at inter-Korean talks in order to avoid its weakened position in the four-way talks."

It was learned that opinion within the government is mixed regarding North Korea's proposal. Some proponents advocate that the proposal should be reviewed positively, because the talks could bring about substantial progress in inter-Korean talks and the holding of the four-way talks as well. On the other hand, opponents maintain that preconditions, such as grain aid, should not be accepted.

'Beijing-style rice talks' refers to the talks held last June, in which our side agreed to provide 150,000 tonnes of rice free of charge. At the time, our side interpreted the talks as talks between the two sides' authorities, whereas the North did not view them that way.

ROK: Noodle Machines Provided by Catholic Church Reach DPRK

SK2808151696 Seoul YONHAP in English
1051 GMT 28 Aug 96
— Semiofficial news agency of the ROK

[FBIS Transcribed Text] Seoul, Aug. 28 (YONHAP) — Three sets of noodle machines provided by the Catholic

Seoul Archdiocese and the Korean Catholic Church in America have reached North Korea and are being installed at a Kwangbok Street plant in Pyongyang.

"When the machines go into operation in late September as planned, they would produce 9,000 meals of noodles a day," Cho Kwang of the National Reconciliation Committee of the Seoul Archdiocese, said, adding that the machines cost 15,000 dollars per set.

Cho said the noodle machines have been sent to the North under the spirit of brotherly love and their operation is being overseen by father Pak Chang-tok active in the United States.

He said 40 million won has been sent to the North through the Korean National Red Cross for use in purchasing wheat needed in producing noodles.

"We plan to send more money to the North as soon as donations raised under the on-going campaign to share noodles with the North Korean people reach a certain amount," Cho said. The campaign is being staged by the Seoul Archdiocese.

He said that in the first 15 days of the campaign some 10,000 people joined the drive, which alone, he said, means that about 70 million bowls of noodles have already been secured.

ROK: Professor Forecasts ROK, DPRK Rice Imports in 2000s

SK2808043496 Seoul THE KOREA TIMES in English 28 Aug 96 p 8 — Daily English-language newspaper published by HANGUK ILBO

[FBIS Transcribed Text] The nation is expected to see a remarkable increase in its rice imports in the 2000s as domestic rice consumption surpasses production.

In addition, North Korea is also likely to have to resort to rice imports to meet its needs, according to an article contributed by professor Han Tu-pong of Korea University to a magazine published by the Korea Rural Economics Institute (KREI). In 2005, South Korea's rice production is expected to reach 4.906 million tons, down 6.1 percent from the amount seen in 1990-1994 on average, Han said quoting research data by professor Ku Won-hoe of North Dakota State University in the U.S.

Rice consumption will stand at 5.670 million tons with a 764,000-ton shortage.

Rice harvest is expected to decrease further in 2015 to 4.247 million tons, down 13.4 percent from that seen in 2005, Ku said.

Despite the reduction in rice harvest, rice demand will drop only by 5.9 percent, aggravating the situation.

With this, the South is expected to have to buy 763,000 tons of rice in 2005 and 1.085 million tons in 2015. The import ratio of total rice needs will amount to 20.4 percent.

North Korea, for its part, was predicted to see a high increase in its rice production to 2.432 million tons in 2005 and 2.672 million tons in 2015, up from 1.852 million tons during the 1990-1994 period.

In 1985, the North's rice production reached a record high at 2.116 million tons but has seen a steady decrease in recent years, mainly due to bad weather.

The North is also likely to suffer from a rice shortage due to an expected rise in its need for the staple grain to 2.432 million tons in 2005 and 2.672 million tons in 2015.

"The North will have to import 184,000 tons and 249,000 tons of rice in 2005 and 2015, respectively," said Ku.

In case rice consumption reaches 94kg a year per person, the nation will need to fill 7.1 percent and 9.4 percent of its total rice needs with imported rice in 2005 and 2015, respectively.

But the ratio will soar to 22 percent and 24 percent if rice demand per person rises to 102.4kg a year.

ROK: Chief of Security Agency Briefs Opposition Party on DPRK

SK2908062696 Seoul YONHAP in English 0618 GMT 29 Aug 96

— Semiofficial news agency of the ROK

[FBIS Transcribed Text] Seoul, Aug. 29 (YONHAP) — North Korea's de facto leader Kim Chong-il has reportedly been conducting "a closet ruling" centered around a clique of 28 confidants assigned to key party, military and administrative posts since the death in 1994 of President Kim Il-sung.

National Security Planning Agency Director Kwon Yong-hae told President Kim Tae-chung and other officials of the main opposition National Congress for New Politics [NCNP] Wednesday afternoon that Kim Chong-il is ruling North Korea mainly with the assistance of 28 confidants — 13 positioned in the party, 12 in the military and three in the administration.

Kwon made the remarks while briefing the oppositionists on the latest situation in the communist country, adding, "However, there are times dissenting voices come out," according to Rep. Chon Yong-taek who was on hand at the briefing.

"North Korea has been continuously reinforcing its military strength, deploying missiles along the frontline and developing guided missiles," Kwon was quoting as saying. "We have to prepare against the worst possible scenario when they are unable to find a solution to current difficulties."

Also disclosing that the North is building a submarine, he speculated that it is presumed to be aimed at shutting off the nation's ports and blocking the deployment of American troops and logistics if and when a war breaks out.

On the food situation in the North, Kwon reportedly told the visitors that its crops this year are estimated to drop 10 to 20 percent below last year's, and that the food shortages there would be worse next year.

"Because of this, there are some signs of psychological commotion on the part of the general public," Kwon was quoted as saying.

If North Korea's harvest this year declines by 10 to 20 percent, its crops will amount to approximately 3 million tons, falling about 3.7 million tons less than the demand of 6.7 million tons.

ROK: Opposition Calls for NKP Official's Resignation

SK2908023596 Seoul YONHAP in English
0218 GMT 29 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 29 (YONHAP) — The major opposition party demanded Thursday that the ruling New Korea Party [NKP] Secretary-General, Rep. Kang Sam-chaе, resign from his party post and be indicted immediately in connection with his remarks that its leader Kim Tae-chung received more than the 2 billion won in political funds from former President No Tae-u that he admitted having accepted.

In an emergency meeting of senior party leaders Thursday morning, the National Congress for New Politics (NCNP) also demanded that the National Assembly hold a public hearing to investigate Kang's controversial remarks.

NCNP filed a libel suit against Kang earlier, claiming that he defamed its President Kim by making the groundless allegation without presenting any evidence.

"The incident has had a serious impact on the political landscape," NCNP spokesman Rep. Chong Tong-yong said in a statement. "We will mobilize all possible means so that the prosecution may dispose of the case in compliance with the conscience of law."

If the prosecution decides not to indict Kang, he said, "the prosecution will prove itself to be an entity manipulated by politics."

Kang's resignation as the ruling party's secretary-general would be "the expression of a minimum of sincerity toward a politics of dialogue," Chong added.

NCNP also decided to have Rep. Cho Chan-hyong call on Prosecutor General Kim Ki-su to press for Kang's indictment.

ROK: Seoul Increasing Inter-Korea Cooperation Fund 100 Billion

SK2808150196 Seoul YONHAP in English
0751 GMT 28 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 28 (YONHAP) — The government and the ruling New Korea Party have decided to increase a South-North cooperation fund by 100 billion won (122 million U.S. dollars) in next year's budget bill, a government official said Wednesday.

"The National Unification Ministry originally requested that the South-North cooperation fund be increased by 200 billion won but at Tuesday's budget meeting between the administration and the ruling party, it was increased by only 100 billion won," a ministry source reported.

Separate from the amount, another 100 billion won will be added at the end of the year to the fund, which currently totals 230 billion won. If the fund is boosted by 100 billion won again next year and interest accrued from it is figured in, it will total 450 billion won by the end of next year.

This year, Seoul has thus far contributed a total of 9.05 million dollars to the North, including 3 million dollars in food aid, 6 million dollars in expenses related to the light-water reactor project and 50,000 dollars in meteorological equipment.

ROK: YONHAP Reviews Status of Trade With Argentina

SK2908010996 Seoul YONHAP in English
0032 GMT 29 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Summary] Seoul, Aug. 29 (YONHAP) — President Kim Yong-sam will travel to Argentina on 8 September for a two-day visit that will include talks with Argentine President Carlos Menem. He will be accompanied by a "high-powered" delegation of both government officials and leading businessmen. During the visit, cooperative agreements will be signed in the areas

of nuclear energy and air services, and possibly in the areas of economic, scientific, and technical cooperation and fishing.

Last year trade between the ROK and Argentina totaled \$440 million, two-thirds of which were Korean exports to Argentina. This year's two-way trade figure is expected to reach \$600 million.

Large Korean conglomerates have recently made inroads into the Argentine market. Daewoo is currently doing a feasibility study on producing railroad cars there at a total cost of \$900 million. Dongwon's joint venture with an Argentine gas company recently uncovered an oil and natural gas field worth \$1.8 billion dollars. Other companies are also pursuing mining and fishery projects.

ROK: ROK To Send Ships To Tow Tuna Boat With Honduran Approval

SK2708033496 Seoul YONHAP in English
0151 GMT 27 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 27 (YONHAP) — South Korea will dispatch coast guard ships to the high seas where the Honduras-registered Tuna fish boat Pescamar is adrift as soon as Honduras indicates that it understands South Korea's desire to tow the vessel which was the scene of a mutiny involving the deaths of several South Korean crew members, a Foreign Ministry official said Tuesday.

Director General Yu Myong-hwan of the ministry's American Affairs Bureau called in the Honduran ambassador here to the Foreign Ministry Monday to seek the Honduran Government's understanding before Seoul tows the vessel and the Honduran ambassador said that he will consult with his government, the official said.

South Korea also discussed the matter with Japan and the fact that Japan moved the Tuna ship out of its territorial waters means that it will not exercise jurisdiction over the ship, the official said, adding that Japan may have wanted to avoid involving itself in the mutiny case involving several countries.

Several South Koreans and Indonesians were killed by some Chinese crew and the ship was found adrift in Japanese waters last Saturday.

The official expected that South Korea will soon be able to tow Pescamar No. 15, saying that the ship is owned by a Korean company, although it is registered with Honduras, and most of the victims were South Koreans.

The official, however, added it will take time for the South Korean maritime police to take the ship to the country, saying, "it simply takes a few days for the coast

guard ships to sail to the international waters, about 40-nautical-miles South of Japan's Okinawa."

ROK: Mutineers Tried To Sink Vessel To Cover Crime

SK2908003596 Seoul YONHAP in English
0015 GMT 29 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Pusan, Aug. 29 (YONHAP) — Mutineers on the Honduran-registered fishing boat Pescamar No. 15, in an attempt to commit a perfect crime, allegedly attempted to sink the boat after killing surviving fellow crew members as well, the maritime police officers said Thursday.

This was disclosed from an on-board investigation of six ethnic Korean Chinese mutineers and seven surviving crew including first mate Yi In-sok by investigators of the Pusan Maritime Police Station. The ocean-going tuna fishing boat is being towed to Pusan by a maritime police vessel.

The mutineers killed 11 fishermen including seven South Koreans and dumped their bodies overboard Aug. 2 in the South Pacific.

They allegedly attempted to kill all surviving fishermen on the boat near the Japanese coast and then sink the boat to hide all traces of their crime. In order to smuggle themselves into Japan afterwards, they made a small raft on the boat with planks, according to a report the investigators sent to the Pusan Maritime Police Station.

The investigators are cross-examining the mutineers with the surviving fishermen on the motives and process of the killings.

They have secured nine murderous weapons used in the crime and bloodstains left in the steering house from the killings.

ROK: Foreign Minister Kong Meets With Icelandic Counterpart

SK2808062496 Seoul YONHAP in English
0600 GMT 28 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 28 (YONHAP) — Iceland Wednesday supported the proposal for the four-way peace talks jointly proposed by Seoul and Washington for a permanent peace mechanism on the Korean peninsula.

In a meeting between Foreign Minister Kong No-myong and his Icelandic counterpart Halldor Asgrimsson, the two foreign ministers shared the view that North Korea

is belligerent and uncooperative in settling issues involving the two Koreas, according to Director General Cho Chang-pom of the Foreign Ministry's European Affairs Bureau.

The Icelandic side also expressed support for Seoul's bid to join the 34-nation security consultative body in Europe, called the Organization for Security and Cooperation in Europe (OSCE), as a partner for cooperation which has the right to attend the OSCE meeting on a regular basis, Cho said.

South Korea currently takes part in the OSCE meetings on the condition that it is invited by the OSCE secretariat on an irregular basis.

Asgrimsson requested that South Korea makes efforts to prevent the Asia-Europe Meeting and the Asia-Pacific Economic Cooperation (APEC) from taking the form of groups exclusive to other countries.

Iceland is not a member of the European Union and the ASEM is led by the EU and the Association of Southeast Asian Nations (ASEAN).

Kong meanwhile asserted the ASEM and APEC will not go beyond the principle of the World Trade Organization (WTO) which guarantees free and fair trade and investment among member countries.

Iceland also supported South Korea's bid to join the Organization for Economic Cooperation and Development (OECD), saying that Seoul's joining OECD will help strengthen the group of the world's rich countries.

Asgrimsson expressed interest in Seoul firms taking part in joint projects with Icelandic firms in the fishing and fishery processing fields.

Twenty Icelandic businessmen accompanied Asgrimsson to Seoul to meet with South Korean officials and businessmen on expanding business opportunities between the two countries.

The Icelandic minister of foreign affairs and external trade will pay a courtesy call on President Kim Yong-sam Thursday and meet with International Trade, Industry and Energy Minister Pak Chae-yun.

Asgrimsson then will visit the southeastern port city of Pusan to meet with officials and businessmen from the fishery industry and hold a seminar to explain investment opportunities in Iceland and attract South Korean tourists to the Nordic country.

Asgrimsson, who flew into Seoul Monday, will visit the truce village of Panmunjom Saturday before leaving the country Sunday.

ROK: Hyundai To Help Build India Satellite Communication Project

SK2808151896 Seoul YONHAP in English
0822 GMT 28 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 28 (YONHAP) — Hyundai Electronics Co. announced Wednesday that it has signed an agreement to set up the Globalstar India Satellite Service (GISS) in a joint venture with India's Crompton Greaves Co. and Pertech Computer Co.

The agreement will enable Hyundai Electronics to engage in India's satellite communication service business.

The company said that it has already submitted papers for approval for the project to the Indian Government, jointly with Thapar Group, the parent firm of Crompton Greaves, early last month and the approval is expected to be issued by the end of this year.

The Korean company has already been publicizing the project through public relations and technology forums in India, along with an effort to forge a cooperative relationship with India's National Telecommunication Corporation.

The joint-venture satellite communication project calls for the establishment of gateways to connect ground relay stations with satellite broadcasting first in three large cities in the country, New Delhi, Calcutta, and Madras by 1998 and in Mumbai (formerly Bombay) later.

The company plans to invest 43 million U.S. dollars in the relay facilities.

Crompton Greaves is one of the largest electronics and electronic parts and telecommunication companies in India, and also an affiliate of the Thapar Group, one of the four largest business groups in India. Pertech computer is a computer and software development firm, with 60 branches and over 400 sales outlets throughout India.

Meanwhile, Hyundai Electronics plans to provide mobile satellite communication service to 16 countries in the world by 2002, with Globalstar India service included. It has already concluded joint-venture agreements for the project in Taiwan, and Poland in February, with negotiations going on for similar agreements in New Zealand, Hungary, and Nepal, among others.

ROK: Foreign Ministry Seeks Help From Japan in Boat Mutiny Case

SK2508071496 Seoul YONHAP in English
0629 GMT 25 Aug 96
— Semiofficial news agency of the ROK

[FBIS Transcribed Text] Seoul, Aug. 25 (YONHAP) — Japan's Maritime Safety Agency will tow the Honduras-registered tuna fishing boat Pescamar No. 15 on which a mutiny took place to its port and investigate the incident before taking necessary steps according to international practices, a Foreign Ministry official said Sunday.

These steps are being taken because the tuna fishing boat, on which 12 crew members including seven South Koreans were allegedly killed in a mutiny by ethnic Korean Chinese mutineers, was found in Japanese territorial waters.

Since more South Koreans were involved in the killings of the mutiny than the crew of other nationalities, South Korea wants to exercise jurisdiction of investigation over the incident after Japan, the official said.

The Foreign Ministry has earlier instructed its mission in Tokyo to find out exact details of the incident and ask for the Japanese Government's cooperation for the protection of the surviving crew members.

The Seoul Embassy in Tokyo was asked to ascertain how many South Koreans were killed in the mutiny. The Pusan Maritime Police reported seven South Korean crew were killed, while the embassy gave a figure of six.

ROK: Ministry Begins Telecommunications Talks With Japan

SK2908002196 (Internet) The Joong-Ang Ilbo WWW in English 29 Aug 96

[FBIS Transcribed Text] South Korea and Japan agreed to jointly enter the information and telecommunication market in the Asia-Pacific region. The two countries also agreed to promote technological and administrative cooperation in the telecom fields in connection with the 2002 World Cup soccer games. They will also conduct joint experiments on the superhigh-speed satellite communications networks. The Ministry of Information and Communication (MIC) said that the agreement was reached between MIC Minister Kang Pong-kyun and his Japanese counterpart Ichiro Hino during the first Korea-Japan telecom ministerial talks held in Tokyo yesterday.

ROK: ROK To Conduct Telecommunications Talks With Japan, PRC

SK2808041396 Seoul THE KOREA TIMES in English
28 Aug 96 p 8 — Daily English-language newspaper published by HANGUK ILBO

[FBIS Transcribed Text] Korea will hold telecommunications talks with Japan in Tokyo today and with China in Beijing Aug. 30 to discuss ways of promoting bilateral cooperation in the emerging industry.

Information and Communication Minister Kang Pong-kyun leaves for Tokyo today accompanied by So Yong-kil, director general of the ministry's international cooperation bureau.

"Bilateral cooperation is pressing with Japan and China's advances in the information and telecommunications industry," said Kang before departing for Japan.

Joint research in the sophisticated information and telecommunications sectors will be top of the agenda at talks with Japanese Posts & Telecommunications Minister Ichiro Hino, Kang said.

The joint projects sought are test-bed projects prior to the set-up of Asia-Pacific Information Infrastructure (APII), tests of a superhighway satellite telecom network, exchange of information to standardize next generation's mobile telecom service, including the future public land mobile telephone service (PPLMTS) and studies on electro-magnetic waves from mobile phones harming human beings.

The two top communications policymakers will exchange opinions on exchange of public officials and researchers, the holding of conferences of experts in the field and review sectors of cooperative projects involving satellite communications business by corporations.

They will also seek cooperation in the international telecom field, including joint efforts to cope with tougher negotiations by advanced nations in the World Trade Organization (WTO) talks under way to lift restrictions on basic communications services and mutual cooperation for success of the world information and telecommunications forum by the International Telecommunication Union (ITU) and the second APEC talks in the sector slated for early September. The other area is cooperation in the sector for the successful cohosting of the 2000 World Cup.

At the fifth bilateral talks with Chinese Posts & Telecommunications Minister Wu Jichuan, Kang will propose that the two nations step up efforts to jointly study the next generation switching system called asynchronous transfer mode (ATM) to exchange technology

furthering the digital code division multiple mode (CDMA).

The other topics will be mutual cooperation in laying optical cable linking Southeast Asia and Western Europe via the Middle East and a similar direct transpacific cable, regional communications satellite projects, exchange of personnel and technology and the information superhighway network.

ROK: Fourth ROK-Japan Forum To Open Next Week in Tokyo

SK2908065596 Seoul YONHAP in English
0623 GMT 29 Aug 96
— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 29 (YONHAP) — Politicians, businessmen, scholars and senior journalists from South Korea and Japan will meet in Tokyo Tuesday to come up with ways to enhance bilateral political, economic and cultural affairs, a Korea-Japan forum spokesman said Thursday.

This year's meeting, the fourth of its kind, will focus on ways to substantially improve bilateral relations in the course of preparing to co-host the 2002 world cup soccer finals. Last year the forum issued a statement suggest that the two countries co-host the world cup to avoid the keen rivalry between the peoples of the two countries.

The meeting will open in Tokyo's Okura Hotel Tuesday and will then move to Aomori Prefecture the following day for three days of discussions in issues that include politics and economy, regional security, bilateral economic cooperation and cultural cooperation.

Seoul National University Professor Emeritus Pae Chae-sik will represent Korea at the forum while his Japanese counterpart will be Japan's Ambassador to the United Nations Hisashi Owada.

The 24 South Korean participants will also include Reps. Kim Tok-yong, Kim Yun-hwan and Cho Sun-sung, Korea Foundation President Kim Chong-won, Ambassador to Japan Kim Tae-chi, Hyosung Business Group Chairman Cho Sok-nae, Kohap Business Group Chairman Chang Chi-hyok and the MUNHWA ILBO President Nam Si-uk.

Thirty Japanese representatives will take part in the forum. They include senior Vice President Yoshihisa of Japan foundation, SANKEI SHIMBUN Editorial Writer Keiko Chino, Representatives Wakako Hironaka and Nobutaka Machimura, Japan-Korea Economic Association Chairman Nobuya Hakura and Keidanren, a Federation of Economic Organizations, vice chairman Kenzi Kawakasu.

ROK: Hanhwa To Construct \$100 Million Power Plant in Kazakhstan

SK2908070996 Seoul YONHAP in English
0540 GMT 29 Aug 96
— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] The Hanhwa group will build a 100-million-U.S.-dollar hydroelectric power plant on a BOT (build, operate and transfer) basis in Kazakhstan, the group announced Thursday.

Group Chairman Kim Sung-yun visited the former Soviet Republic in April and agreed with Kazakh Government officials about the outline of the project.

Under the agreement, Hanhwa will send a 10-man feasibility survey team consisting of South Korean, U.S. and Kazakh engineers to the Islamic Republic next month.

On the basis of this survey, the engineering plans for the project will be completed by the end of September next year and construction work on a dam on the river, 250 kilometers north of Alma-Ata, will begin in 1998 for 2000 completion date, the announcement said.

The power plant, designed to generate 58,000 kilowatts per hour, will be put into operation in 2002 at the latest.

Hanhwa will run the plant until it recovers its investment and then transfer it to the Kazakh Government.

ROK: Opposition To Oppose Current ROK Bid for OECD Membership

SK2908004796 Seoul THE KOREA TIMES in English
29 Aug 96 p 2 — *Daily English-language newspaper published by HANGUK ILBO*

[FBIS Transcribed Text] Two major opposition parties, the opposition National Congress for New Politics (NCNP) and the United Liberal Democrats (ULD), have decided to oppose the government's bid to enter the Organization for Economic Cooperation and Development (OECD) this year.

The two major opposition parties said it is not proper for the government to seek the OECD membership now, arguing that the nation stands more to lose than to gain.

The two parties reached the decision during a meeting between chief policy-makers Rep. Yi Hae-chan from the NCNP and Rep. Ho Nam-hun from the ULD Tuesday.

They said yesterday that if the government presents a bill for the parliamentary ratification for the OECD entry during the forthcoming regular session of the National Assembly, the NCNP and ULD will do all they can to oppose it.

ROK: Seoul, Beijing Work To Develop Standards for HDTV, Other Machines

SK2908004596 Seoul THE KOREA TIMES in English 29 Aug 96 p 8 — Daily English-language newspaper published by HANGUK ILBO

[FBIS Transcribed Text] The third Korea-China Industrial Cooperation Meeting got underway in Seoul yesterday to expedite efforts for the development of automobile parts and components, telecommunications equipment and high definition television [HDTV].

The Korea delegation to the meeting is headed by Trade, Industry and Energy Minister Pak Chae-yun, while the Chinese side is represented by Wang Zongwi, head of China's National Economy and Trade Commission.

Ministry officials said the main agenda for the annual meeting is the development of standardized specifications for high definition television and next-generation electronic switching machines.

"These efforts, including the joint development of automobile parts and components, will go a long way in helping Korean companies' advance into the Chinese market," said Kim Sung-chin of the Asia Trade Division II.

There have been constant working-level contacts between the subcommittees of the two countries, and progress has been reported for high definition television and auto parts and components.

During the two-day session, the delegates will seek to identify the specifications and technologies for standardization in the development of high definition television sets.

MOTIE [Ministry of Trade, Industry, and Energy] officials said the first round of research and development will be concluded in June of next year.

As for telecommunications equipment, the experts attending the meeting will look over the progress made thus far but refer details of the joint development efforts to the subcommittee meeting set for the fourth quarter of this year.

ROK: THE KOREA TIMES Analyzes Extent of ROK-PRC Trade Relations

SK2508005196 Seoul THE KOREA TIMES in English 25 Aug 96 p 8 — Daily English-language newspaper published by HANGUK ILBO

[FBIS Transcribed Text] Amid ever growing trade relations between Korea and China, an increasing number of Chinese trade officials are rushing to Korea aiming to set up business ties with Korean companies and sound out the investment climate.

This week alone, four Chinese trade missions are set to visit the nation from Shenyang in Liaoning Province, Guangzhou in Guangdong Province, Xuzhou in Jiangsu Province and Guangdong provincial government.

A trade mission from Shenyang City led by vice mayor Sun Xiangjian, will fly into Seoul today at the invitation of the Korea Chamber of Commerce and Industry (KCCI).

During their stay through Wednesday [28 August], they will visit the Korea Trade-Investment Promotion Agency (KOTRA), Korea International-Trade Association (KITA) and business groups including LG and Tongbang.

Another trade delegation from Xuzhou City, headed by vice mayor Tang Chao-shuang, will also visit here on Aug. 28-Sept. 2.

The delegates will hold a seminar on the city's business climate at the Korea Exhibition Center (KOEX) Aug. 28 and visit KOTRA and major groups like Samsung, Daewoo and Hyundai.

Similar delegations from Guangzhou City and the Guangdong Province are planning to visit here soon and the dates will be decided on later a KOTRA official said.

With the increasing arrival of business delegates from China, the nation's investments in Korea have also increased sharply in the past years since the two nations established diplomatic ties on Aug. 24 in 1992.

Data released by the National Statistical Office during the 4th anniversary of the bilateral diplomatic normalization indicate that the Chinese investment here increased to \$28.47 million in 117 projects as of the end of last year.

This represents a drastic increase from \$1.05 million in six projects in 1992. Since 1992, the annual growth rate of China's investment in Korea averaged at 117.7 percent.

In terms of investment items, the service sector topped the list at \$17.22 million in 97 projects, followed by the manufacturing sector with \$11.24 million in 20 projects. The trading field had \$10.77 million.

Korea's investment in China also has remarkably soared to \$2.741 billion last year.

The number of Chinese who visited Korea in 1995 reached 81,120 in 1995 an increase of 19,065 from the previous year.

ROK: Police Report 7 Koreans Killed in Alleged Mutiny on Tuna Boat

SK2508031796 Seoul YONHAP in English

0215 GMT 25 Aug 96

— Semiofficial news agency of the ROK

[FBIS Transcribed Text] Pusan, Aug. 25 (YONHAP) — Twelve crew members of a tuna fishing boat including seven South Koreans were killed earlier this month by ethnic Korean Chinese crew in a boat mutiny that occurred in the South Pacific, the Pusan Maritime Police station reported Saturday (24 August).

The Honduras-registered Pescarmar No. 15 with 25 crew aboard was known to have been missing Aug. 19 while fishing near the Samoa Island in the South Pacific when radio contact was cut off.

The 254-ton tuna fishing boat was found by a patrol boat of Japan's Maritime Safety Agency at around 6:30 PM Saturday while drifting on seas 250 miles South of Tokyo Bay.

A telegram from the Japanese Maritime Safety Agency had it that six ethnic Korean Chinese mutineers on Aug. 2 refused to work on grounds of difficult life on board and requested they be allowed to return home while fishing in the South Pacific at 2 degrees South latitude and 163-164 degrees West longitude.

Skipper Choe Ki-taek accordingly instructed the boat to sail to Samoa, when the mutineers killed with deadly weapons 12 fellow crew — seven Koreans including the skipper, four Indonesians and one ethnic Korean Chinese.

Found aboard the fishing boat when rescued were six Indonesian crew and an ethnic Korean Chinese in addition to the six mutineers.

The crewmen were recruited and sent by Cheyang Co., Ltd. based in Seoul. The firm's headquarters and branch office in Pusan are busy checking into details of the mutiny and aftermath arrangements.

The Pescarmar 15 sailed off Pusan port July 14 with seven South Korean and ten Indonesian crew aboard, and reportedly collected seven ethnic Korean Chinese near the fishing site later.

ROK: PRC Emerges as ROK's Third Largest Trading Partner in 1995

SK2408033296 Seoul THE KOREA HERALD

in English 24 Aug 96 p 8 — Generally pro-government English-language daily

[FBIS Transcribed Text] Trade between Korea and China has been rising sharply since the two countries established formal diplomatic relations in 1992, with

Beijing emerging as the third largest trading partner of Seoul last year.

During the five-year period between 1991 and 1995, Korea's trade with China posted an annual average growth rate of 42.1 percent, about three times Seoul's overall trade increase rate of 14 percent, according to data released by the National Statistical Office yesterday.

Korea's trade with China amounted to \$16.5 billion in 1995, or 6.4 percent of Seoul's total trade volume and 2.6 times that of 1992.

Last year, China became Korea's third largest trading partner after the United States and Japan while Korea emerged as China's fifth biggest trading nation.

In particular, Korea's exports to China skyrocketed at an annualized 73.3 percent clip during the period, by far higher than Korea's overall export growth rate of 26.7 percent.

Before the establishment of diplomatic ties, Korea posted a trade deficit with China but the bilateral trade balance turned in favor of Korea in 1993.

Korea's trade surplus stood at \$1.2 billion in 1993, \$740 million in 1994 and \$1.7 billion last year.

Since the setup of diplomatic ties, Korean investment in China has also been on a sharp increase, showed the data.

Korean investment in China amounted to \$3,058 million last year, or 5.8 times that in 1992, while Korean investment in China showed an annual growth rate of 35.9 percent between 1993 and 1995.

Korean investment in China for 1995, of which 88.5 percent was made in manufacturing sectors, accounted for 26.6 percent of Korea's total overseas direct investment.

In contrast, Chinese investment in Korea stood at a mere \$28.4 million as of 1995, according to the statistics.

Meanwhile, the number of Korean visitors to China zoomed to 406,918 last year from 15,261 in 1991. A total of 81,120 Chinese visited Korea in 1995, compared with 44,188 in 1991.

ROK: Police on Cheju Island Arrest 16 Illegal Aliens From PRC

SK2508095996 Seoul YONHAP in English

0940 GMT 25 Aug 96

— Semiofficial news agency of the ROK

[FBIS Transcribed Text] Cheju, Aug. 25 (YONHAP) — Sixteen Chinese men in their 20's and 30's were

apprehended by police here Sunday while allegedly attempting to smuggle into South Korea.

Four of them were seized at around 9:45 Sunday in front of the Lions Hotel in Sogwipo, Cheju, and 12 others by noon at Chinese restaurants and inter-city bus terminal, according to the Sogwipo police station.

The Chinese left a port of Fujian Province, China at around 8 AM last Thursday aboard a 70-ton fishing boat, and landed the shore in front of the Lions Hotel at around 3 AM Sunday, police officers said.

The captured are all males aged between 27 and 36, who got on board the boat with 180,000 yuan paid per head. They are said to be part of some 40 passengers of the boat destined for Japan, according to the police officers.

The boat could not be found.

The police are questioning the Chinese on what motivated them to come to South Korea, and are searching if there are any more stowaways on Cheju Island.

ROK: PRC Accepting ROK Plan To Keep Jurisdiction Over Mutineers

SK2808150596 Seoul YONHAP in English
0949 GMT 28 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 28 (YONHAP) — South Korea on Wednesday informed China of its plan to exercise jurisdiction over the Chinese crewmen of Honduras-registry Pescamar No. 15 who recently mutineered and killed 11 fellow fishermen.

"We met a Chinese Embassy official today to explain about our decision and the legal background against which Korea will exercise jurisdiction," a Foreign Ministry official said.

During the meeting, he said, the Chinese official made no particular objection to the decision.

"Of course, this does not mean China has completely given up its jurisdiction over the incident," the Foreign Ministry official said. "There remains the ample possibility of China interfering in the course of investigation."

He said Korea will often let China know the progress of the investigation.

At Wednesday's meeting, the Chinese Embassy man pointed out that the Chinese people's image was tarnished by the Korean press reports of the incident, the ministry official added.

ROK: Trade Agency Ranks ROK 11th in World Trade Order

SK2508083896 Seoul YONHAP in English
0821 GMT 25 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Summary] According to data released by the Korea Trade-Investment Promotion Agency (KOTRA), the ROK emerged as the 11th largest trading country in the world during the first half of the year, overtaking China, which held 11th place last year. South Korea's total two-way trade for the first six months of 1996 amounted to \$137.8 billion, or \$65.1 billion in exports and \$72.7 billion in imports. This put the ROK ahead of China, whose two-way trade during the same period totalled \$127.1 billion. KOTRA officials expect China's two-way trade to fall far behind the ROK for the remainder of the year because of changes in the PRC's value-added tax policy and its implementation of a retrenchment policy. This should allow the ROK to maintain its 11th-place ranking in world trade for the rest of the year, according to the officials.

ROK: 'Shocked' Conglomerates Prepare To Appeal Sentencing

SK2708004196 (Internet) The Digital Chosun Ilbo
WWW in English 1203 GMT 26 Aug 96

[FBIS Transcribed Text] Conglomerate groups whose leaders were indicted for offering bribes to former President No Tae-u were shocked at unexpectedly stern jail sentences Monday. As a result of jail terms for their chairmen, Daewoo, Dong-ah, Jinro, and Hanbo Groups expect that there will be a big hurdle in carrying out their business, including overseas projects. In the case of businessmen who were sentenced to probation, they will also experience an impact on their businesses as corruption has been a big issue in international negotiations.

The Daewoo Group said that there was a problem of fairness and decided to immediately appeal Chairman Kim U-chung's two-year sentence. The Dong-ah Group's Choe Won-sok was scheduled to leave for Libya to participate in Libya's Great Waterway ceremony, making his sentence all the more embarrassing. The Dong-ah Group said that the court should decide whether or not Chairman Choe can participate. It is also preparing an appeal. The Hanbo Group, which had been expecting probation for its chairman Chong Tae-su, is also embarrassed. They said that they will naturally appeal. The Samsung Group was pleased at the probation sentence given to Chairman Yi Kon-hui and said that it will review whether or not to appeal, considering the possibility of a customary pardon at the end of the year.

ROK: President Renews Promise To 'Uproot' Hanchongnyon

SK2408103996 Seoul YONHAP in English
0937 GMT 24 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 24 (YONHAP) — President Kim Yong-sam on Saturday emphatically renewed his pledge to uproot Hanchongnyon or the Korean Federation of University Student Councils which engineered the recent violent protest at the Yonsei University campus.

"Those students who put up such North Korean assertions intact as the withdrawal of American forces from South Korea, the abolition of the National Security Law and the conclusion of a peace treaty between North Korea and the United States, and who attempt to push them through violence must be regarded not as pro-North forces but as communists," the chief executive said. "I'll root out Hanchongnyon without fail even if it takes time."

Addressing 12 distinguished elders affiliated with "meeting worrying about the nation" over luncheon he hosted at Chongwadae [presidential offices], Kim declared, "Since I think this is one of the most important tasks I must fulfill for the country as president, I'll absolutely never retreat regardless whoever says what."

Kim called the violent student protest "not a simple demonstration but an urban guerrilla warfare," and said, "Hanchongnyon is deeply rooted with preceding core members manipulating the students from behind."

"We'll not take any more half-hearted measures," he added.

The president then asked the elders to properly guide the general public.

Included among those invited to the luncheon were So Yong-hun, standing representative, New Society Common Good Movement Federation, former Prime Minister Hyon Sung-chong, former Vice National Assembly Speaker Ko Hung-mun, former Anglican Church Bishop Kim Sung-chu, Canaan Farmer School Principal Kim Pom-il, and Inje University President Paek Nak-hwan.

ROK: Government To Uproot 'Left-Leaning' Student Organizations

SK2808031796 Seoul YONHAP in English
0249 GMT 28 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 28 (YONHAP) — The administration has decided to break up left-leaning violent student organizations like Hanchongnyon [South

Korean Federation of University Student Councils] or the umbrella organization of university student councils from the perspective of refreshing national discipline.

It has also decided to uproot organized violence, regulate excessive luxury, and put an end to the "don't-rock-the-boat" attitude among civil servants.

Those decisions were reached Wednesday at a working-level meeting chaired by Senior Presidential Secretary for Petition and Information Mun Chong-su and attended by vice ministerial-level officials from related agencies.

Among the agencies represented at the meeting were the Board of Audit and Inspection, Administrative Coordination Office in the Prime Minister's Office, Prosecutor General's Office, National Tax Administration, Customs Administration, National Police Administration, Fair Trade Commission and office of Bank Supervision.

The underlying focus of the meeting was a judgment that social discipline has been undermined by a series of recent acts challenging government power, highlighted by the violent student protests at Yonsei University.

The participants decided to uproot such avant garde violent campus organizations as "May Troops" at Chonnam University, "Nokdu (Mung Beans) Troops" at Choson University, and "Combatant Troops" at Honam University. They also decided to ferret out leftist forces that have infiltrated labor circles like "Labor Solidarity With Politics."

In a bid to uproot organized violence, those who provide assistance and hide organized gangs will be cracked down on and activities of former convicted gangs will be tightly monitored.

As a means of dealing with "don't-rock-the-boat" attitude in officialdom, inspections will be toughened.

ROK: Business To Restrict Employment of Student Demonstrators

SK2908013896 Seoul YONHAP in English
0120 GMT 29 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 29 (YONHAP) — Five major South Korean economic organizations have prepared a joint statement which calls for restricting the employment of university students who participated in violent demonstrations such as the recent one at Yonsei University.

Business sources said Thursday that such move by the economic bodies would apparently be a huge

disadvantage to those students wishing to work at business firms after graduation.

In the statement, the organizations urge the government to execute relevant laws against those student movements that would bring about national crisis through their "impure assertions and violent deeds."

"We will fulfill our responsibilities to protect and develop the free market system," the prepared statement insisted. "Under the national consensus, we are opposed to any anti-national and violent protests that destroy national law and order."

The statement was prepared at a meeting of vice chairmen from the Korea Chamber of Commerce and Industry, the Korea Federation of Industries, the Korea Employers Association, the Korea Federation of Small Business, and the Korea International Trade Association.

The statement will be finalized by the end of the week and announced to the public next week, business sources predicted.

A debate, however, regarding the organizations' plan is expected to ensue since public opinion calls into question the constitutionality of restricting occupational freedom of choice and restricting the equal rights of the people.

ROK: South Korea To Set Up Nuclear Safety Commission

SK2808040196 Seoul THE KOREA TIMES in English 28 Aug 96 p 3 — Daily English-language newspaper published by HANGUK ILBO

[FBIS Transcribed Text] A nuclear safety commission will be established along with a nuclear research fund, the Science-Technology Ministry said yesterday.

The ministry will submit a revision bill of the Nuclear Law to that effect to the regular National Assembly session next month.

According to the ministry, the Nuclear Safety Commission comprising five to seven persons from a number of walks of life will be set up separately from the Nuclear Commission to ensure the independence of safety control.

The chairperson of the safety commission will be selected from among the members of the commission to be appointed by the president at the recommendation of the science-technology minister.

When the International Nuclear Safety Convention goes into effect on Oct. 24, the independence of the Nuclear Commission, which presently regulates the use of nu-

clear energy as well as nuclear safety, will become a serious problem. The formation of the safety commission will help to resolve this conflict of interest. In order to provide stable financial support for the development of nuclear energy, the existing system of budget allocation will be scrapped and instead an autonomous fund for nuclear research will be set up and operated from Jan 1, 1997.

Similarly, arrangements for the Nuclear Waste Management Fund will be rescinded following the 245th decision of the Nuclear Commission to transfer the waste management program over to the Korea Electric Power Corp. under the Ministry of Trade, Industry and Energy (MOTIE). All authorization for the construction of facilities concerning the management, storage and handling of nuclear waste and other related facilities will have to come from the science and technology minister, according to the revision.

However, decisions regarding the handling and management of spent nuclear fuel will have to be reached jointly by both ministers of MOST (Ministry of Science and Technology) and MOTIE and must be deliberated and passed by the Nuclear Commission.

ROK: MFE Unveils Draft Government Budget Bill for 1997

SK2708031596 Seoul THE KOREA HERALD in English 27 Aug 96

p 8 — Generally pro-government English-language daily

[FBIS Transcribed Text] The Ministry of Finance and Economy (MFE) estimated yesterday that the economy would grow 6.5 percent to 7 percent next year, down from this year's 7 percent to 7.5 percent.

Inflation is likely to fall to a range of 4 percent to 4.5 percent next year from this year's 4.5 percent to 5 percent, it said.

However, wage increases, rising consumer spending and foreign capital inflows may combine to build up inflationary pressures and expand the nation's current account deficit next year, ministry officials said.

The ministry also unveiled a draft government budget bill for 1997, which calls for government spending of about 72 trillion won (some \$90 billion), up 14 percent from this year.

The budget increase rate is down from a 14.8 percent advance for this year.

The lowered budget growth rate reflects the government's will to tighten its belt in a bid to deal with the current economic woes and encourage the public to spend less and save more, the ministry officials said.

The 1997 budget bill also focuses on increasing spending on infrastructure expansion and technology development to boost the economy's growth potential, they said.

According to the draft budget, defense spending will increase 12 percent between 14 trillion won and 15 trillion won from this year's 12.7 trillion won.

A total of 34 trillion won to 35 trillion won will be earmarked for a range of government projects, while the remainder will be used as personnel costs, grants and government reserves.

The government will pour 7.2 trillion won, up about 20 percent from this year, into building a high-speed railway, airports, subways, highways, ports and national and provincial roads.

The government plans to finalize its 1997 budget bill early next month after consulting with the ruling New Korea Party and submit it to the National Assembly for approval in early October.

ROK: Finance Ministry Promotes GSP Plan for Developing Countries

SK2908070396 Seoul YONHAP in English
0630 GMT 29 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 29 (YONHAP) — South Korea has decided to introduce a generalized system of preferences (GSP) for increased imports from developing countries.

Under the tariff reform plans announced by the Finance and Economy Ministry Thursday, the government will first introduce legislation to lay the legal groundwork for the new preferential tariff system and then decide on when, how and for which developing countries it should be implemented.

The plans will be reflected in the tariff law amendments that will be introduced in parliament for approval during the regular session that begins next month and closes in December, and the amendments will take effect next year if ratified by parliament.

One of the plans envisions a quarterly settlement of drawback accounts, estimated at a total of 1.2 trillion won (1.46 billion U.S. dollars) a year, in the interest of importer-exporters.

At present, exporters importing materials for use in the production of goods for export are required to pay duties on such materials within 15 days of every import declaration and are reimbursed for the duties they pay after all of the products made from the imported materials have been exported.

The new drawback account settlement system will save importer-exporters a total of 280 billion won per year that they will be able to use in other ways, ministry officials said.

Another plan calls for the introduction of a control system for foreign goods transshipped at South Korean ports, sea and air, to prevent them from using Korean trademarks or being disguised as goods of Korean origin.

Also, imported goods for which no duties are assessed within two years of the day of import declaration will be exempt from all duties.

Travelers bringing into the country dutiable goods without declaring them to a customs office will be assessed a surcharge equivalent to 10 percent of the prices of such goods.

The punishment for smuggling will be abated from the current prison term of up to 10 years or a fine of up to 300 percent of the prices of smuggled goods to a maximum prison term of five years or a maximum fine of up to 100 percent.

ROK: Hyundai Merchant Marine To Invest \$10 Billion in Expansion

SK2908071496 Seoul YONHAP in English
0540 GMT 29 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Hyundai Merchant Marine Co. will invest 10 billion dollars for business expansion over the next five years to triple its sales from 2.1 billion dollars last year to 7.2 billion dollars in 2000.

President Pak Se-yong said the company will acquire a luxury cruise ship in the first half of next year and commission to operate on a cruise route linking South Korea, Japan and southeast Asian countries in the second half. It will also form a joint-venture cruise business company with a U.S. firm for sight-seeing tours by boat on coastal routes off America.

The shipping arm of the Hyundai Group will also build 165 carriers, including liquefied natural and petroleum gas carriers, and set up its cargo terminals at 10 major seaports around the world.

This will increase the company's merchant fleet to 223 ships, 42 container cargo ships and 181 other carriers, in 2000, Pak said.

And the company will become the fifth largest merchant marine company in the world by the turn of the century, he added.

**ROK: Government To Emphasize Cargo Services
in Aviation Talks**

SK2908004296 Seoul THE KOREA HERALD

in English 29 Aug 96

p 8 — Generally pro-government English-language daily

[FBIS Transcribed Text] The government will step up efforts to expand the nation's air cargo services to address the rising demand in international cargo transport, the Ministry of Construction and Transportation said yesterday.

"In the aviation talks with foreign countries, the government will put more emphasis on opening new international cargo air routes and increasing the number of flight services," said an aviation official. The ministry will hold aviation talks with two European countries—the Netherlands and Germany—and three Asian countries, Japan, Malaysia and Pakistan, this year.

According to ministry figures, the growth rate of international cargo transport marked an annual average of 12.2 percent since 1990, outpacing the corresponding rate of international passenger transport which stood at 8.7 percent.

Last year, Korea's two national-flag carriers transported 1.29 million tons last year, up 15.8 percent from a year ago.

The upward trend will continue for the forthcoming years, said the official. High growth rate in international air cargo services has been led by Korean Air which emerged as the world's fifth largest cargo carrier last year.

With a cargo fleet of 15—including large airplanes such as 11 B747F and two MD11F, and two mid-size aircraft A300F—Korean Air operates 59 international cargo services a week in 30 routes.

KAL is set to add Atlanta as its 31st service point by launching a once-a-week flight next month.

Late-comer Asiana Airlines's cargo service is limited. It has recently increased its cargo fleet to three by introducing Monday Boeing's newest cargo aircraft B767F for the first time in the world.

Asiana offers six cargo flights a week to six points in three countries. The newly-introduced B767F will be put into the mid-range routes to Southeast Asian countries where Asiana aims to expand its presence.

**ROK: Editorial Urges Combined Efforts Against
Radical Activity**

SK2908003396 (Internet) The Digital Chosun Ilbo

WWW in English 1155 GMT 28 Aug 96

[Editorial: "Counter-attack by Pro-North Korean Group"]

[FBIS Transcribed Text] The government has demonstrated its will to eradicate a series of challenges to public authority, such as violent dissident activity, and to establish a general discipline throughout the society. After learning from the Yonsei University situation, it is quite natural to root out violent actions led by pro-North Korean groups. If we cannot stamp out violent demonstrations, our country will fail to become a country with a national identity.

The situation, however, does not seem optimistic. The Hanchongnyon group has started to regroup even though its leaders have been arrested and their offices at several universities were closed. Their continuing activity is demonstrated by posters at universities, communication between the members through PCs, and their international solidarity struggle through fax and Internet. The pro-North Korean violent groups are trying to reverse the criticism against them, claiming that the violent situation was due to excessive police suppression.

Through PCs, the group is encouraging their members by saying that in two weeks time, the situation at Yonsei University will be forgotten and public opinion can be reversed for their benefit. There is a possibility, therefore, that radicals will make challenges in other shapes. In the past, in Japan, for instance, radical students who failed in sustaining a pan-student struggle organized the Red Army, a more violent group. We are also concerned that hard-core North Korean students will become more radical in the future.

To prevent illegal behavior and prevent tragedy based on radical ideology, intellectuals, people, and the government should join together. We should clearly condemn the wrongs that have been committed and political circles should stop using such a serious issue as a tool in political competition. If violent demonstrations are to be stopped, all sides need to cooperate in order to develop a means to do so without straying away from the point by saying that the government is tightening the political environment stressing security issues.

Burma

Burma: Thai Paper Reports Khun Sa's Business Activities

BK2808012796 Bangkok ATHIT in Thai 23 Jul 96
p 14

["The Road To Freedom" column by Chinda Duangchinda; words between slantlines published in English]

[FBIS Translated Text] After his surrender to the Burmese Government on 7 January, Khun Sa was detained in Rangoon so that the SLORC [State Law and Order Restoration Council] could grasp every bit of information regarding various Shan rebel groups. He was later released and given permission by the SLORC to engage in the transportation business as part of the economic development plan he proposed to Rangoon prior to his surrender. In early March, he reportedly placed purchase orders from foreign countries for approximately 200 six-wheel trucks, vans, and medium and small buses. He has been authorized to collect taxes for SLORC. He set up three land transport companies, namely /Loi Maw Co. Ltd., Mountain Co. Ltd., and Three Yellow Mountain Co. Ltd./ operating under the supervision of the /Loi Maw Transportation Association/. Meanwhile, other Khun Sa small business firms or companies have been placed under the control of the /MTA (Maung Tai Alliance)/, not the Mong Tai Army. The MTA head office is located in Taunggy.

Each vehicle, regardless of capacity and size, is required to pay a 5,000 kyat monthly tax to SLORC.

In the areas along the border with Thailand where the Mong Tai Army once operated, General Chit Maung, commander of the Pang Mai Sung administrative zone, has authorized Captain Tun Hlaing, a former Mong Tai Army officer, to form a transport service group comprised of 20 buses and trucks. Captain Tun Hlaing was assigned to collect one-third of the profits of the group for the military force stationed in the area.

Lieutenant General Kyaw Ba, hotels and tourism minister, said on 1 July that the SLORC will not send Khun Sa to stand trial in the United States. Citing the fine tradition of the Burmese people, the government has granted amnesty to Khun Sa, since he no longer poses any danger to the country. According to the minister, Khun Sa is currently living somewhere in Shan State and can travel to any part of the country.

The fact is, however, that Khun Sa is now living in a luxurious house in a residential area for high-ranking SLORC officers in Rangoon.

In mid-July, Khun Sa received official permission to open a casino in Tachilek. The thatch-roofed casino is

now open and is patronized by gamblers of Burmese, Shan, Wa, and Thai origins, while the construction of the casino complex is still under way. The casino is said to be a joint venture between Khun Sa and gamblers from China and Bangkok. After the construction is completed, the new casino complex will be as good as that in Macao. It will be officially opened by SLORC leaders and attract Thai gamblers from the casino in Ko Song opposite Ranong Province because of good communications.

Moreover, Khun Sa also has the green light from SLORC to engage in the gem trade and import-export business.

In late July, Lieutenant General Tin Oo, secretary 2 of SLORC, and his delegation comprised of high-ranking military officers came to Ho Mong by helicopter and were greeted upon their arrival by Lieutenant Colonel Cham Huang, Khun Sa's son and a high-level member of the Mong Tai Army. They held a discussion on the development of Ho Mong Township. It was agreed that the Kluhok-Namon border pass would be opened to facilitate border trade between Ho Mong and Muang District of Thailand's Mae Hong Son Province. Ho Mong will be developed into an economic and tourism hub for the area. A television relay station will also be built there.

Following the orders of SLORC, the people and soldiers began moving out of Ho Mong to return to their home villages. Subsequently, the town's population has dropped to its current level of only 5,000. Formerly condemned gambling and drug addiction are now rampant.

Khun Sa's paradise is built on the sufferings of the Shan people, especially those in Ho Mong. Standing on top of the paradise, however, is Lieutenant General Khin Nyunt.

Burma: Article Says 'Proud' Suu Kyi Creating Her Own Downfall

BK2808074796 Rangoon MYANMAR ALIN
in Burmese 26 Aug 96 p 6

[Article by Monsieur England-returnee: "English Lady Madam Aris Suu Kyi who thinks highly of herself"]

[FBIS Translated Excerpt] English lady Mrs. Aris Suu Kyi together with two old comedians [derogatory reference to National League for Democracy leaders U Kyi Maung and U Tin Oo] have been holding forums every Saturday and Sunday on University Avenue road in Yangon [Rangoon]. Being old acquaintances, I frequently went to listen to the speeches. I expected Nobel Peace Laureate Mrs. Aris Suu Kyi to speak about peace, tranquility, and stability but I was very

disappointed when I heard her low-minded speeches. But I was more disturbed when I heard her speak in Burmese and English relating to BBC and VOA broadcasts. [passage omitted]

There are many people like us who had lived and worked in England and Madam Aris Suu Kyi is one of them. They are intimate with one another and there are many Myanmar people [Burmese] in England. [passage omitted]

The Myanmar include doctors, businessmen, and other loitering expatriates. The Myanmar doctors, busy with their work, stayed by themselves while the Myanmar businessmen made friends with everybody but the loiterers posed as businessmen, politicians, intelligence personnel or brokers. These loiterers joined CRDB [Committee for Restoration of Democracy in Burma] in late 1988 and became somebody. Former "market dogs," [Burmese expression of being looked down and kicked around] who are little better than riffraff, became followers of Democracy Leader Madam Aris Suu Kyi. They immediately bought houses and cars and traveled to America, Norway, and Denmark and began spreading Madam Aris Suu Kyi's words. Even the Reverend U Yewata [Buddhist abbot of Birmingham] could not control them. Since they have money and sponsors former "market dogs" became affluent. One can imagine about their leader Madam Aris Suu Kyi. It is not surprising that the madam thinks no end of herself. The BBC Burmese program was to be downsized but the 1988 incident [mass democracy uprising] saved them. [passage omitted]

If one lives in England and if one doesn't attend Oxford or Cambridge, to which university will one go? It is just like living in Yangon [Rangoon] and attending Yangon University. Is it a big deal to speak in English when you have lived in England, studied in England, married an Englishman Michael Aris, gave birth in England, and have worked in England? The Myanmar people think highly of Oxford-graduate Madam Aris Suu Kyi. That is why she became very proud and I heard her say in English "foreigners don't come to Myanmar," "don't invest," "economic sanctions," and "impose sanctions." She is also writing a lot since she knows English. I would like to ask Madam Aris Suu Kyi what she would do if Myanmar became a poor nation like Somalia and Ethiopia or like Iraq. I want to know. It is an undeniable fact that a Myanmar lady Madam Aris Suu Kyi has been adopted by the neocolonialists. Another clear fact is that Madam Aris Suu Kyi has been visiting foreign embassies and having lunches, having long talks, making overseas phone calls, and phoning to personnel from the BBC and the VOA. It is like accepting orders from them and relying and thinking

highly of foreign nations. I would like to remind her that pride goes before a fall. There is a natural law which says in any country one's life will be destroyed if one forgets one's roots. After listening to her I think the English lady Madam Aris Suu Kyi, who thinks highly of herself, is creating her own downfall.

Brunei, Malaysia & Singapore

Malaysia

Malaysia: Agreements To Make Buses, Motorcycles Signed With Beijing

BK2808110296 Kuala Lumpur NEW STRAITS TIMES in English 27 Aug 96 p 2

[Report by Zainon Ahmad in Beijing]

[FBIS Transcribed Text] DRB-Hicom and Norinco Beijing North Vehicle Works Ltd yesterday signed two joint-venture agreements to make buses and motorcycles in China.

Under one agreement the Norinco bus plant, which was established in 1949 and currently produces 150 buses per year, will also be enlarged to initially produce 400 luxury buses per year.

The factory will be eventually upgraded to increase its maximum capacity of producing 1,500 luxury buses per year.

Besides a plant in Beijing, Norinco has another factory also producing motorcycles in the north. They now produce 100cc and 150cc motorcycles for the country.

Under the agreement to jointly produce motorcycles, the plants are to be enlarged and upgraded to produce initially 100,000 motorcycles per year, increasing to a maximum of 500,000 a year.

The signing of both agreements were witnessed by Prime Minister Datuk Sri Dr. Mahathir Mohamed.

At the same function, he also witnessed the signing of the joint-venture agreement between Amdex Corporation Sdn Bhd and Guilin City Guilfa United Engineering Company Ltd.

The joint venture between Amdex and the investment arm of the Guilin City government was for the construction, operation and management of a 11.44km stretch of dedicated toll highway connecting Guilin City to the new Liang Jiang International Airport highway.

Under the agreement, the joint venture is given a concession by the by the Chinese Government to collect toll on the highway for a period of 30 years.

Dr. Mahathir described the joint ventures as helping to improve further the close relationship between China and Malaysia and between the private sectors and government agencies of the two countries.

Malaysia: Vietnam to Strengthen Bilateral Trade, Investment

BK290808/296 Kuala Lumpur THE STAR in English
29 Aug 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — Vietnam wants to strengthen trade relations with Malaysia and explore other areas of investments especially in property, infrastructure projects, palm oil cultivation and tourism.

Vietnamese ambassador Hoang Nhu Ly said Tuesday Malaysian investments in Vietnam had reached nearly U.S.\$1 billion (RM [Malaysian ringgit] 2.5 billion).

"Malaysia ranks number seven in foreign investment in Vietnam mostly in industrial and information technology projects in Hanoi and Ho Chi Minh City," he said at the Vietnamese embassy here.

He said Malaysia would continue to play a significant role in the development of Vietnam.

He added Vietnam was appreciative of Malaysia's involvement especially in joint-venture oil refinery projects with Petroliaam Nasional [National Petroleum Corporation].

Hoang, who was appointed the ambassador to Malaysia five months ago, said Vietnam would be celebrating its 51st independence day on September 2.

He said the country had achieved much success in the 90s and was emulating Malaysia's Vision 2020.

"There are a total of 1,500 development projects being approved bringing in U.S.\$20 billion (RM50 billion) investment to the country," he said.

He said Vietnam with a population of 80 million offers investors a large pool of human resources.

On abolishment of visa requirements, he said Vietnamese had issued "express visas" to Malaysian and other ASEAN travellers.

He said Vietnam hoped to abolish the visa requirements "soon" but declined to elaborate.

Malaysia: Daily Rejects Notion of Asian Domination in 21st Century

BK280805/696 Kuala Lumpur BERITA HARIAN
in Malay 28 Aug 96

[Editorial: "The West Should Make Asia a Partner" — received via Internet]

[FBIS Translated Text] A healthy, fair, and tangible competition will be required in the 21st century. Countries or continents will have opportunities to develop the world together on the basis of their respective strength. The question of Asia dominating the world in the 21st century does not arise. If the motive behind the dramatization of the issue is simply to cause uneasiness among Asian countries, particularly those who may feel that they will be swallowed by new powers in Asia itself, we would consider it a cheap gimmick. We would like to remind the West not to dramatize Asia's strength if their objective were simply to divide Asia. Cold War tactics are no longer applicable in the current era because we are no longer competing ideologically. Perhaps the West simply wants to accord us recognition, but doing so will cause only distrust of Western countries themselves. It will not do good to Asia.

In our opinion, the 21st century will be a century where all will enhance ethnic, regional, continental, and even global cooperation. Prime Minister Datuk Sri Dr. Mahathir Mohamed considers the slogan Asian Century simply a myth. A myth could make human beings complacent and forget about the truth.

We understand the wishes of Asian countries because we are in Asia. Of course, we wisely understand our problems. Asia, which is the world's most populous continent, is peopled by various races who have different cultures and religions. Our governmental systems are different, and a strong mutual understanding is needed to understand our respective mentality. We produce the same commodities and sell them virtually in the same markets. In spite of being neighbors, there is no guarantee that all Asian countries will be able to amicably settle their problems due to their deep differences. Asia is neither Europe nor North America whose peoples have reached a level of homogeneity. Accordingly, the European or North American century has been accepted more easily by their peoples. Even if Asia qualified for the status Asian century, we believe that we should form partnership with other continents.

In Asia, there are only several countries that could emerge as new powers. Not all Asian countries will be capable of doing so. Of course, these countries do not want their interests to be undermined simply because of a noble title given to Asia.

If we review the politics of the Cold War, we will see that these countries were once targeted by non-Asian big powers as a balancing factor. Western behavior will in fact divide Asia. We do not want the West to exploit the situation. Indeed, they hope that Asia will be divided. We believe that Dr. Mahathir considers the Asian century a myth because he wants to remind the power that has dramatized the situation not to act secretly. Dr. Mahathir frankly spoke about the matter in China, a country which has indeed become the focus of attention in the big power politics. China will become a strong competitor of big powers because of its physical condition and economic status. Nevertheless, we want China to contribute to fellow Asian countries. We do not want to provoke China into hostilities toward neighboring countries. Indeed, Japan could also counter the West, but it cannot get away from U.S. influence.

On the present global scene, the West still has the power to influence other countries in the world. We recognize that information is power. Information is dominated by the West. The West will be able to change the perception of the people of another country through information they disseminate. They will also be able to raise or lower the image of another country. They can dominate the world community's mind through their information network available the world over.

We have realized the truth, but we haven't seen anything positive to compete with them. Of course, they, being economic powers, can paralyze activities in another country. The West can act wildly by imposing economic sanctions on another country. By taking into account global problems in the next century, we hope that big powers will not make Asia an enemy but rather a trade partner. The two sides should become trade partners which will always need each other.

Singapore

Singapore: Opposition Members Accused of Perjury, Prevarication

BK2908065896 Singapore THE STRAITS TIMES
in English 29 Aug 96

[Report by Walter Fernandez — received via Internet]

[FBIS Transcribed Text] The four Singapore Democratic Party [SDP] members facing contempt of Parliament charges have been accused of perjury, prevarication, misconduct and willfully giving false information in a letter of complaint to the Speaker of Parliament which was made public yesterday.

Detailing his complaint against the four men, Health Minister George Yeo said that these acts were in addition to fabricating data and presenting false documents

to deceive the Select Committee on Health Care subsidies.

He therefore cited them for "serious contempt of Parliament", in a 10-page written complaint, dated 27 August, which was released to the press yesterday.

The complaint was against the SDP team of Dr. Chee Soon Juan, Mr. Wong Hong Toy, Mr. Kwan Yue Keng and Mr. S. Kunaleen, who had appeared before the committee on 12 August to explain what they alleged was a typing error in their submission to the committee.

On Tuesday, Parliament Speaker Tan Soo Khoon had told MPs (members of parliament) that he had received BG [Brigadier General] Yeo's complaint, supported by almost 400 pages of transcripts and written submissions, and decided that there was sufficient grounds to refer the matter to the Parliamentary Privileges Committee.

If found guilty of contempt by the eight-member committee, the opposition members can be fined up to \$50,000, jailed for the duration of the current session of Parliament, excluded from Parliament or reprimanded by the Speaker.

In his complaint, BG Yeo cited detailed instances when the SDP team had contradicted each other, lied, been evasive or impertinent when answering questions put to them by the Select Committee.

Singling out SDP secretary-general, Dr. Chee, as the "mastermind behind the whole exercise" regarding the alleged typographical error, BG Yeo listed reasons why his explanation "defied logic and credence" and should be regarded as perjury.

He argued that the SDP chief would have discovered the typo-error during the various stages of proof-reading his book, where he said the error first appeared, or after the three-hour discussion by the SDP research team before they submitted their report to the committee.

BG Yeo also took issue with the contradictions in Mr. Wong's testimony that in April this year, he had helped Dr. Chee calculate the 25 percent figure for Government health expenditure in 1990.

Dr. Chee had later told the committee that he had done the calculation himself two years ago when writing his book, *Dare to Change*.

The SDP vice-chairman had also claimed that he had not corrected the mistake in the opposition submission because he had not been able to follow the proceedings in English.

This was not true as Mr. Wong "was not only capable of correcting the English translation of his evidence by the

Mandarin interpreter during the hearing, but could also understand the contents of the article in *Asian Survey*," said BG Yeo.

In his complaint, he also criticized Mr. Kusalea, the head of the SDP research and planning unit, for being "evasive and impertinent" when answering the committee.

As for SDP assistant secretary-general, Mr. Kwan, BG Yeo said that his role "was not as minimal as he claimed", but that he had actually abetted in the presentation of false documents.

He had doubted the accuracy of the 5 percent figure which appeared in the book 'Dare to Change' and in the SDP's draft submission, but did not raise his doubts with the research team or to the committee, the minister noted.

When contacted last night, Dr. Chee said that he had not seen a copy of the complaint yet and would comment on it at a later time.

Cambodia

Cambodia: Prince Ranariddh Criticized for Requesting Foreign Help

BK2808160796 Phnom Penh CHAKKRAVAL
in *Cambodian* 23 Aug 96 pp 1, 4

[Article by Kdien Veacha]

[FBIS Translated Text] Prince Ranariddh's secret meeting with the envoys of the five UN Security Council permanent member countries — the United States, France, Britain, China, and Russia — on 11 August 1996 has been leaked.

According to his dead-end proposal, Prince Ranariddh, the first prime minister and chairman of the party called FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia], wants to use the five superpowers as his backing for wresting back power from Samdech Hun Sen. However, his bid has been ignored by the five countries.

Prince Ranariddh told the envoys in a shameless and miserable manner that Hun Sen and the Cambodian People's Party (CPP) are trampling underfoot the Paris accord countersigned by their countries and that Hun Sen is putting pressure on FUNCINPEC and has gone so far as to insultingly call him a pure-blooded dog (extracted from issue No. 215 of the newspaper SAMLENG YUVEAKCHON KHMER and from issue No. 36 of the newspaper SATHEARONAKROAT). He said Cambodia will plunge into an authoritarian regime in the near future if the five do not intervene. The CPP, added Ra-

nariddh, is striving to do away with FUNCINPEC completely and will assassinate him if it can (extracted from the paper SAMLENG YUVEAKCHON KHMER).

The proposal emotionally made by Prince Ranariddh was not only rejected but also criticized by the five envoys. They told Prince Ranariddh that it is difficult for them to help FUNCINPEC because the prince himself has made incorrect decisions concerning the Cambodian situation and because FUNCINPEC has made mistakes and does not have a clear-cut policy. They also said that the prince has tended towards absolute monarchy and has not possessed a definite democratic principle for over three years.

Now the envoys of the five major countries cannot just listen to and help the wrongdoer turn wrong to right and black to white unwisely. For more than three years, Prince Ranariddh has not been heard to publicly acknowledge his mistakes, both large and small. He is different from Samdech Hun Sen, who dares to accept his mistakes if he is wrong. The prince appears to consider himself a god from heaven, who has never made mistakes. Even though he violated the Constitution by blatantly stating over a microphone in broad daylight with wild gestures that he would abolish the Constitution, dissolve the National Assembly, and withdraw from the government before its term, he has never admitted his fault. Instead, he thoughtlessly and jokingly told the people that he wanted national reconciliation and urged an end to squabbles to prevent contempt from enemies.

Even though he is now sinking and in checkmate, Prince Ranariddh is still not willing to confess his wrongdoings to the people. Instead, he disgracefully pleaded with foreign countries to help him. Since he has revealed Cambodia's hideous matters to the foreigners, who criticized and derided him all the same, is he still worthy of being a Cambodian leader?

Cambodia: Dissident Khmer Rouge Leader Forms New Movement

BK2808111996 Hong Kong AFP in English
1110 GMT 28 Aug 96

[FBIS Transcribed Text] BANGKOK, Aug 28 (AFP) — Ieng Sary, leader of a dissident faction of the Khmer Rouge, announced Wednesday the establishment of a new political movement called the Democratic National United Movement (DNUM), according to a statement received here.

Cambodia: Khmer Rouge Claims 1st Army Region Chief Dead in Shoot Down

BK2908022896 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 28 Aug 96

[FBIS Translated Text] Seng Kev, commander of the 1st Military Region, and a number of his bodyguards left Phnom Penh for Stung Treng by helicopter on 25 August. The helicopter was shot at by our National Army when it reached an area north of Kompong Thom town. It caught fire and crashed in the jungle. Seng Kev, commander of the 1st Military Region, and all his 20-plus bodyguards onboard were killed.

Cambodia: Ranariddh Says FUNCINPEC-CPP Ties Restored

BK2908045296 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 29 Aug 96 p 12

[Report by Dararit]

[FBIS Translated Text] Samdech Krompreah Norodom Ranariddh, first prime minister of the Royal Government of Cambodia [RGC] and august chairman of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party, said: Recently, there were some differences of opinion between FUNCINPEC and the Cambodian People's Party [CPP]. Now, cooperation between the two parties which are partners in the RGC has been restored and is as good as ever.

The prince complained that "reports about political differences in the RGC have been exaggerated for months."

Samdech Krompreah Norodom Ranariddh made these remarks at the opening of a three-day international conference on "peace and cooperation" and the different approaches to the maintenance of peace in Southeast Asia and Europe organized by the Cambodian Institute for Cooperation and Peace (from 26 to 28 August) at Cambodiana Hotel. He went on to say that second Prime Minister Hun Sen and himself shared a long perspective of the future of Cambodia and "we have solved our problems peacefully in order to ensure political stability for the RGC."

He added that report about political differences in the RGC have been exaggerated for months and that he had asked both local and foreign newspapers to deal with nothing but the truth and stop exaggerating.

The prince also said: FUNCINPEC and the CPP have vowed to work together and to settle political differences through talks without using military force.

Some Cambodia watchers note that, to a certain extent, this is true; but the problems between the two parties are not ordinary problems most people expect them to be. This means that everything seems to be very delicate, very fragile, which calls for greater respect for the Constitution.

It should be recalled that tension has flared since March this year when FUNCINPEC threatened to pull out of the RGC and the National Assembly if the CPP refused to share district power with it. As for the CPP, it said that this district-level power should be stable and no one could change it at will. Moreover, it said, the Paris Accord did not mention this power at all.

The prince made this pledge: FUNCINPEC and the CPP will make every effort to find a solution to their differences so that the honest Cambodian people can receive stability and prosperity.

Speaking about maintaining peace in Southeast Asia and Europe, First Prime Minister Samdech Krompreah Norodom Ranariddh said: Cambodia will become a full member of ASEAN and this will contribute to the strengthening of peace in the region and also to the search for an acceptable peace with the Khmer Rouge, which lately has produced many positive signs, for the RGC's wish is to unite the whole country.

Cambodia: Author on Failure of Hun Sen's Political Trick

BK2908100296 Phnom Penh SAPORDARMEAN NEAK PRAYUT in Cambodian 23-24 Aug 96 pp 1, 3

[Article by Det Puri: "Hun Sen's Political Trick is a Flop"]

[FBIS Translated Summary] In this 700-word article, the author says Hun Sen is notorious for his highly capable schemes to split up other parties that oppose him. This is proved by his being behind the recent split of Son Sann's Buddhist Liberal Democratic Party into two factions. Lately, there seemed to be some strange things going on following Hun Sen's secret contact with Ieng Sary's breakaway Khmer Rouge group. Hun Sen seems to regard this secret contact as a correct act that benefits him politically and militarily. Many political analysts believe that this inducement of thousands of Khmer Rouge forces is a means to mobilize as many forces as possible to be under Hun Sen so that it will be easy for them to intervene whenever the dispute between the political and military forces of the two parties in the government reaches the breaking point. The dispute between the leaders of the two parties (Prince Ranariddh and Hun Sen) has almost reached its peak. That will bring about a crucial confrontation if no effort is made

to settle the dispute. Hun Sen's men have mobilized both military and police forces in a number of provinces and districts, and they have even made secret plans to attack the police from FUNCINPEC (National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia). Such large-scale contact with breakaway Khmer Rouge forces is not an ordinary matter. Thus, it should be publicized, and should not be carried out not only by Hun Sen and Tie Banh from the Cambodian People's Party (CPP). It should be carried out with the consent of the leaders of the two parties in the government."

Hun Sen may have thought that this political scheme to muster the breakaway Khmer Rouge to his side would succeed just that easily. "But on the contrary, this scheme has come to an impasse, because this breakaway Khmer Rouge group has set major conditions that Hun Sen could not decide by himself. This problem has forced Hun Sen to turn to Prince Ranariddh."

The author then cites analysts as saying that the breakaway Khmer Rouge want to remain in their zone and set up a political party under Ieng Sary. "Is there any law that allows this group to have an autonomous zone and to set up a party?"

The author adds that even if the negotiation between this Khmer Rouge group and the government is successful, the National Assembly must first rescind the law outlawing the Khmer Rouge. If this law is revoked, it would mean that both the Ieng Sary-led breakaway Khmer Rouge and the Pol Pot-led Khmer Rouge group are legal Khmer Rouge groups. In such a case, must welcome Pol Pot as well?

The author concludes by saying that even if the National Assembly revokes the law, the MP's from the CPP cannot do it alone. It is possible only with the cooperation of other MP's from FUNCINPEC. This is why Hun Sen's secret contact with the breakaway Khmer Rouge is at a deadlock and he has to force himself to publicize it.

Cambodia: Columnist — Dual Nationality Issue May Block Elections

BK2708045596 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 26-27 Aug 96 pp 1, 2

[Article by Soraneat: "An Uneasy Issue in Cambodia's Politics"]

[FBIS Translated Text] Addressing a group of students belonging to the Khmer Angkor Youth Organization — the FUNCINPEC (National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia) youth wing — at FUNCINPEC's head office in

the morning of 24 August, His Royal Highness Prince Norodom Ranariddh, first prime minister and chairman of FUNCINPEC, said that a movement was working to urge "dual-nationality FUNCINPEC members" to pack up and leave.

The prince responded to this assumption with a rhetorical question: Why has no one said a word about applying the immigration law to the Vietnamese immigrants who number by the hundreds of thousands (if not the millions) in Cambodia?

Cambodia watchers have reckoned that dual nationality in the electoral laws governing the upcoming regional and general elections will become a serious issue that might block up the whole process if during the debates on the two laws (the law on local elections and the law on national elections) both their proponents and opponents could not win a two-thirds vote for their respective sides. There will be a problem if the two laws do not pass for failing to get a two-thirds majority vote, thereby depriving Cambodia of its electoral laws and a chance to hold elections.

A number of political personalities contacted by REAKSMEI KAMPUCHEA refused to express an opinion when asked if there were any other options should the electoral laws fail to pass. Nevertheless, Samdech Hun Sen, second prime minister and vice chairman of the Cambodian People's Party (CPP), once expressed the belief that the ban to prevent those with two or more nationalities from contending in the elections would surely be supported when submitted to the National Assembly.

The CPP is most vocal in demanding that both members of parliament and members of the government should have only one nationality. However, this has been opposed by FUNCINPEC. At any rate, many important ministers of both the CPP and FUNCINPEC have two or more nationalities. But it is clear that FUNCINPEC has more multi-nationality ministers than the CPP does. At many public functions, CPP ministers threatened by this ban, such as National Bank Governor Thao Pengleat, have expressed their readiness to give up extraneous citizenship if required by law.

Many news sources stressed that even the majority of FUNCINPEC's multi-nationality ministers seemed to be in favor of the ban to prevent those with dual nationality from becoming members of parliament or members of the government.

A CPP minister who asked not to be named told REAKSMEI KAMPUCHEA that in reality this ban is targeting politicians who are members of parliament or members of the government only. But, as time passes,

it has been misquoted to include anyone with multiple citizenship. "In fact, specialists, advisers, businessmen... are not under this nationality ban at all," he said.

In his speech to the students, in addition to attacking the issue of Vietnamese immigrants and the Cambodian-Vietnamese border problems, the prince appeared to be wishing that each political party clearly state its identity right now and do not wait till 15 days before elections in order to do so.

His question is: Where does each political party come from, what is its past, and what is its affiliation? It is true that each political party has the obligation to answer to this question and the voters, too, must be informed about it. However, some analysts have surmised that by raising this question the prince wanted to keep FUNCINPEC attached to the king, who was the former chairman of this party, and that this is a key to restoring the party's waning popularity.

The king is the symbol of the whole nation. He must remain neutral and beyond the control of any political party. This is why people keep saying that FUNCINPEC is trying to use the king's good name for its personal gain.

Indonesia

Indonesia: Bomb Hurling at U.S. Mission 'Not Politically Motivated'

*BK2908020096 Jakarta KOMPAS in English
29 Aug 96*

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Surabaya, KOMPAS Online — Security forces are still examining the motives behind the hurling of molotov bomb at the United States Consulate in Surabaya on Wednesday (28 Aug).

Police spokesman Lieutenant Colonel Drs [academic title] M Sofwat Hadi told journalists that authorities were undertaking intense investigations. Head of the national strategy coordinating body (Bakorstanasda) in East Java Major General Imam Utomo confirmed that the person responsible for the molotov bomb had been identified as a guest to the consulate three or four days prior to the incident.

The bomb was thrown by a person who disembarked from a taxi, threw the bomb and got back in the taxi and disappeared. Imam Utomo stated that the bomb throwing was not politically motivated but was rather a criminal act.

Director of the United States Information Service Anne Grimes said the U.S. Government did not view the incident as serious as it did not involve a mass of people.

I don't see that there is any connection between the statement of concern issued by the U.S. Government to pressure President Clinton into canceling the sale of nine F-16 aircraft to Indonesia, she said.

Indonesia: Philippine Government, Muslim Rebels Begin Talks

*BK2808124896 Jakarta Radio Republik Indonesia
Network in Indonesian 0700 GMT 28 Aug 96*

[FBIS Translated Text] A joint commission meeting aimed at achieving peace in the southern Philippines was held in Jakarta today as part of the fourth round of formal peace talks between the Philippine Government and the Moro National Liberation Front (MNLF). Our correspondent Ahmad Muslih reports:

[Begin recording] [Muslih] The last days of August and early September will be historic days for the Philippine people, especially those who live in Mindanao, southern Philippines. They will witness an end to the almost 25-year-old conflict that began with the MNLF's move to wage the separatist struggle in October of 1992. The conflict has thus far claimed at least 12,000 lives. After 24 years of struggle, the MNLF, led by Professor Nur Misuari, has decided to end its separatist movement and has preferred to obtain as much autonomy as possible in the southern Philippine provinces.

On the eve of these historic days, a joint commission meeting began in Jakarta today — before the fourth round of formal peace talks begins tomorrow. The talks will be attended by the Philippine Government, MNLF, and Organization of the Islamic Organization delegates. The Indonesian Government will act as facilitator.

Before the joint commission meeting began this morning, all the delegates paid a courtesy call on Foreign Minister Ali Alatas at a hotel in Jakarta's Kuningan district. Speaking to reporters, Minister Alatas expressed his confidence that tomorrow's formal peace talks will be successful in completing the final points of the peace accord between the Philippine Government and the MNLF. The final points consist of how, and how many, members of the MNLF armed forces will be incorporated into the Philippine Armed Forces.

[Alatas] The problem is how, and how many, members of the MNLF armed forces can be turned into a kind of regional police in Mindanao. Their number has been agreed upon: about 7,500 MNLF armed men will be accommodated. Therefore, the committee will meet today to settle all unsolved points, with an informal consensus having been reached. A four-point interim agreement will be adopted and turned into a final agreement that will be discussed at the fourth round of the formal peace talks tomorrow.

[Muslih] After the two-day formal peace talks, leaders of the two sides — namely Manuel Yan and Professor Nur Misuari — will sign the final peace agreement on behalf of the Philippine Government and the MNLF, respectively, in Jakarta on 30 August. The agreement will be witnessed by President Suharto. The peace agreement will formally be signed by the Philippine Government and MNLF in Manila on 2 September and also in Zamboanga City on 3 September. [end recording]

Indonesia: MNLF Chief 'Satisfied' With Progress of Peace Talks

BK2908024696 Jakarta REPUBLIKA in Indonesian 29 Aug 96

[Unattributed report — received via Internet]

[FBIS Translated Excerpt] Jakarta — The fourth round of peace talks between the Government of the Republic of the Philippines [GRP] and the Moro National Liberation Front [MNLF] began in Jakarta yesterday. All sides have expressed optimism that the talks will proceed smoothly.

MNLF Chairman Nur Misuari told journalists during a lunch break that he was "satisfied with the progress of the talks. Manuel T. Yan, head of the GRP delegation, said the same thing. The two, however, declined to elaborate. [passage omitted]

Indonesia: Officials Report 'Rapid Progress' in RP-MNLF Talks

BK2908041096 Jakarta MEDIA INDONESIA in Indonesian 29 Aug 96

[Unattributed report — received via Internet]

[FBIS Translated Excerpt] Jakarta (MEDIA) — The fourth round of peace talks between the Philippine Government and the Moro National Liberation Front [MNLF], which began in Jakarta yesterday, has entered a new stage. Rapid progress has been recorded in the talks because a number of difficult problems have been resolved.

Wiryono Sastrohandoyo, who chairs the fourth round of Philippine Government-MNLF talks, said last night that all problems had been resolved. "There are no basic obstacles. Everything has been resolved," Wiryono told journalists at the end of the first day of the talks yesterday. "A draft agreement will be initiated at the Merdeka Palace on Friday," he said.

"Are there still unresolved points?" the journalist asked.

"No," he said.

"Thus, is everything ready?" the journalist asked.

"A draft agreement will be initiated because everything has been resolved," he replied.

Nevertheless, Wiryono declined to elaborate on the settlement of the unresolved points. "Please wait for an official press statement, the text of which will be distributed to all journalists," he said.

The fourth round of talks will last until Thursday (29 August). A joint commission will hold formal discussions to adopt all points endorsed on the first day of the talks. A draft agreement will be initiated at the Merdeka Palace tomorrow in the presence President Suharto, secretary general of the Organization of the Islamic Conference [OIC], and the ministers of foreign affairs of six members of an OIC committee.

Earlier, MNLF Chairman Nur Misuari said that the MNLF was very satisfied with the progress of the Indonesian-mediated talks. Misuari, however, declined to give details. "I am not in a position to give a statement now. The commission chairman will explain it," he said while pointing at Hasan Wirayuda, chairman of the Ninth Joint Commission of the Fourth Round of Philippine Government-MNLF Talks.

"Are you satisfied with the talks?" a journalist asked.

"Of course, I am very satisfied with all this," he replied.

Manuel T. Yan, chief of the Philippine Government delegation, said the same thing. "I am very satisfied," he said. [passage omitted]

Indonesia: Alatas 'Optimistic' Over Conclusion of Manila-MNLF Talks

BK2908065496 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 29 Aug 96

[FBIS Translated Text] Foreign Minister Ali Alatas is optimistic that three remaining irritants in current peace talks between the Philippine government and the Moro National Liberation Front [MNLF] will be cleared at the end of talks in Jakarta today. The three problems are the integration of MNLF forces into the Armed Forces of the Philippines, the arrangement of a regional force, and the mechanism and structure of a provisional administration of the Southern Philippine Council for Peace and Development.

Minister Ali Alatas said this when he formally opened the fourth round of peace talks between the Philippine government and the MNLF in Jakarta this afternoon. The minister added that the two sides would finalize a draft agreement. The draft agreement will be initiated at the Merdeka Palace tomorrow before its formal signing at the Malacanang Palace in the Philippines on 2 September.

Indonesia: Negotiators Seek Agreement in Philippine Peace Talks

*BK2908082096 Hong Kong AFP in English
0810 GMT 29 Aug 96*

[Report by Bhimanto Suwastoyo]

[FBIS Transcribed Text] Jakarta, Aug 29 (AFP) — The Philippines government and Moslem rebels met here Thursday to put the finishing touches to a deal which will bring peace to the war-torn southern Philippines.

"I think it is safe to say that we are closer to peace...we are now on our threshold of success," the leader of the Moslem National Liberation Front (MNLF), Nur Misuari, told the opening of formal talks at a hotel here.

Manila's chief negotiator Manuel T. Yan, said "we have reached the final day of our long journey towards peace."

However, both leaders also warned that that there was still a difficult challenge in the last day of talks to finalize a draft peace agreement expected to be initialled here Friday and signed in Manila on Monday.

Yan termed the challenge as "simple yet formidable," while Misuari defined the remaining task of putting "the final touch" to the draft text as "gargantuan."

The officials were to finalize a draft peace agreement worked out by a preparatory meeting here Wednesday.

Yan hoped that an "historic document shall emerge from our hearts and minds."

The deal will cap three years of peace negotiations between the Philippine government and the MNLF and end almost a quarter of a century of armed conflict in southern Philippines.

The preparatory meeting Wednesday went on until close to midnight, with delegates saying the main issue of contention was how to include 7,500 MNLF fighters into the armed force of the Philippines and the regional police.

Misuari said that there had been agreement on the integration of the MNLF forces had been settled.

Indonesian Foreign Minister Ali Alatas cautioned: "it is one thing to achieve a peace agreement; it is quite another thing to make it work."

He said the hard work would begin after the agreement was signed, and that the challenges and obstacles to be faced will be "no less formidable" than those to reach peace.

The agreement has been opposed by the Christian population in the Moslem's homeland in southern Philippines and the Philippine senate.

There are also other armed Moslem movements, including the radical group under Abu Sayaf, which did not take part in the peace process.

Misuari, however, dismissed the threat presented to by other Moslem groups.

He said once the transitional structure for autonomy was set in place in the troubled southern Philippines and through cooperation of security forces in the region, "we are very optimistic that these groups will be able to eventually accept our wisdom."

"The peace we are making here is for everybody," Misuari said.

Yan said the preparatory meeting had been able to incorporate most recommendations of the Philippines' Senate for the final peace agreement. He did not elaborate.

Reports from Manila said the senate wanted the MNLF to renounce armed struggle and secession as well as a "clear, specific and unequivocal provision in the peace agreement to address the concerns raised by the people in Mindanao."

Indonesia began hosting talks between the two sides with an informal meeting in April 1993, in an effort to revive peace negotiations which had been stalled since the signing of the so-called Tripoli Agreement in 1976.

The Libyan-brokered agreement has remained the basis for the present rounds of formal negotiations, which began in October 1993.

Indonesia: Military Maintains Nuclear Power 'Last Option'

*BK2808130496 Jakarta THE JAKARTA POST
in English 23 Aug 96 p 2*

[Unattributed report]

[FBIS Transcribed Excerpt] Jakarta (JP) — The Armed Forces (ABRI) believes that Indonesia should consider building nuclear power stations only as a "last option" due to their potential danger and huge costs.

And ABRI insists that nuclear power should be used strictly for "peaceful purposes and for the maximum benefit of the people."

The military gave its opinion through its representatives in the House of Representatives when the four factions in the legislative body aired their views on the government-sponsored bill on nuclear energy yesterday.

"Nuclear power as a source of energy should be considered only after other sources are exhausted," Armed Forces faction spokesman Ali Amran Sidik said in the plenary meeting.

ABRI, which plays a dominant role in Indonesian politics, insisted that the future law should guarantee safe use of nuclear energy.

"The law should be able to help promote people's welfare and boost Indonesian products' competitive edge in the world market," Ali said.

The government was represented by State Minister of Research and Technology B.J. Habibie.

According to the government's plan, the first 800-megawatt nuclear plant, scheduled to start operation in 2003, is to be built at Ujungwatu, at the foot of the dormant volcano Mount Muria in northern Central Java.

Jali Ahimaa, the director general of atomic energy, claims Indonesia will need between seven and 12 nuclear reactors to help provide the 27,000 megawatts of electricity expected to be required by homes and industries in Java and Bali in the foreseeable future.

The usually-conservative United Development Party (PPP) gave a critical assessment of the bill, which some critics say was drafted by the government to give a legal basis to the controversial nuclear project.

The PPP faction said no article in the bill explicitly dealt with the security aspect of the use of nuclear power.

"Due to its level of danger, security considerations should have the highest priority. Economic calculations should only come second," PPP faction spokesman A.M. Saefuddin said.

The Muslim-oriented PPP went on to list the numerous health hazards that may be incurred by a nuclear disaster and the financial costs of a nuclear plant.

Quoting a recent report released by the environmental group Greenpeace, Saefuddin said the nuclear industry is increasingly rejected in the world market because the technology is "dangerous, expensive and environmentally unfriendly."

"Industrial countries such those in North America and Europe are losing interest in building more nuclear plants," he said.

The party warned of possible disasters like the after effects of the bombs dropped on Hiroshima and Nagasaki of Japan in 1945, Chernobyl in 1986 and more recently in Monju, Japan. The last was caused by an erroneous design.

The impact of the nuclear accident at Chernobyl on health, Saefuddin said, was unquestionably widespread. More than 10 years after the calamity, it is found that the number of people in the region who have thyroid cancer has increased 10 fold, he said.

The PPP also proposed that Indonesia use its enormous coal reserves as a main source of energy and also its hydropower plants. [passage omitted]

The Golkar [Functional Group] stressed the safety aspect of the use of nuclear energy.

Faction spokesperson Ida Yusi Dahlan said that the use of the energy should be confined to peaceful purposes. "Every activity pertaining to nuclear energy should be controlled by the government," she said.

Meanwhile, the usually outspoken Indonesian Democratic Party (PDI) faction maintained a low profile in yesterday's debate.

It only asked a few questions on how the government, if it goes ahead with the nuclear project, will handle the nuclear waste.

"To what extent will Indonesia involve international organizations in processing the nuclear waste?" faction spokesman Maringgih Manardi asked.

Indonesia: Megawati's Lawyers Say No Agreement Reached

BK2908042896 Hong Kong AFP in English
0406 GMT 29 Aug 96

[FBIS Transcribed Text] Jakarta, Aug 29 (AFP) — Lawyers for opposition leader Megawati Sukarnoputri told a court Thursday they were unable to reach an out-of-court settlement in her challenge to being ousted as Indonesian Democracy Party leader.

"I am very sorry to inform you that we have not reached the agreement that we had all hoped for because there are still differences among us," said Robert Tambunan, the head of Megawati's legal team.

Tambunan asked the Central Jakarta district court to continue with the hearing in the suit filed by Megawati against generals and senior officials. However, he did not rule out the possibility of an out-of-court settlement in the future.

The defendants' lawyers also agreed that a series of four meetings with Megawati's lawyers over the last week had failed to reach a settlement.

The court later adjourned the hearing for one week and scheduled it to resume on September 5, urging the two parties to continue to seek a out-of-court settlement.

Late Wednesday, Tambunan said the meetings had "ended in a deadlock" because Megawati only wanted a settlement on the condition that a party congress that ousted her be deemed illegal.

Megawati was ousted as leader of the Indonesian Democracy Party at a government and military backed congress held in Medan, North Sumatra in June. Suryadi, one of the people she is suing, replaced her as leader.

The subsequent police-backed storming of party headquarters to oust her supporters led to riots in Jakarta in late July.

Indonesia: Suryadi, Megawati To Be Questioned Further on Riots

BK2908021996 Jakarta KOMPAS in English
29 Aug 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Jakarta, KOMPAS Online — Chairman of the Indonesian Democratic Party (PDI) Suryadi, as elected in the government-backed congress in Medan, is still undergoing investigation. He is still only being questioned as a witness in the case of Budiman Sujatmiko, chairman of the People's Democratic Party (PRD).

Police spokesman Iman Haryatna did not deny the possibility that the investigation would continue on to the issue of the takeover of the PDI office on 27 July 1996 which later led to riots. PRD has been blamed for inciting the riots.

Suryadi denied that he had been present at the free speech forum where Budiman and other PRD activists are believed to have spoken. He gave a brief chronology of the events leading up to the takeover of the PDI headquarters. He failed to give any information of the preparations for the takeover in a meeting in Cibubur.

Suryadi also said he had not met Budiman Sujatmiko and that he only knew about PRD from the PRD manifesto and press coverage.

Spokesman for the Attorney General's office Pontas Pasaribu said that Megawati was due for further questioning next week. Permadi, a prominent paranormal, is presently undergoing investigations as a witness to the Budiman Sujatmiko and Mukhtar Pakpahan [chairman of the Prosperous Workers Union or SBSI] case.

A team for defense of justice and law was denied access to Budiman earlier yesterday (28 August). This denial, according to lawyer Luhut Pangaribuan, was a breach of the Indonesian criminal code.

Pasaribu defended the position of the Attorney General's office, saying that the visiting schedule had altered and now visitors, whether they be family or lawyers, were only allowed on Thursday.

Pasaribu also mentioned the books and cassette which had been seized from Mukhtar Pakpahan's house in East Jakarta and the Prosperous Workers Union (SBSI) office in South Jakarta. He gave the names of several of the books and made reference to the books subversive titles.

Laos

Laos: Vietnamese Party Delegation Calls on Thongsing Thammavong

BK2808041396 Vientiane Vithayou Hengsat Radio
Network in Lao 1200 GMT 27 Aug 96

[FBIS Translated Text] On the afternoon of 26 August at the reception room of the Lao People's Revolutionary Party Central Committee (LPRP CC), Comrade Thongsing Thammavong, Political Bureau member of LPRP CC and (head of the office) of the LPRP CC, received a courtesy call of the delegation of the office of the Communist Party of Vietnam Central Committee (CPV CC), headed by Comrade Pham Duyen, Political Bureau member of the CPV CC and head of CPV CC office.

At the meeting held under an atmosphere of brotherly intimacy, Comrade Thongsing Thammavong welcomed and hailed the visit to the Lao People's Democratic Republic (LPDR) by the delegation. He highly appraised the existing friendship, special solidarity, and comprehensive cooperation between the two parties, governments, and peoples in general, and the close relationship between the two offices in particular, which have significantly contributed to promoting more fruitfully the implementation of the cooperation plans between the two parties and countries.

The head of the delegation of the CPV CC office, in return, expressed gratitude and satisfaction with the intimate and comradely welcome extended to his delegation by the Lao side. He also informed the Lao host of the purpose of his visit to the LPDR.

On this occasion, Comrade Thongsing Thammavong wished members of the delegation good health and success in their visit to Laos.

Laos: ADB Gives 'Massive' Boost To Develop Power Exports

BK2908064896 Bangkok THE NATION in English
29 Aug 96 p A2

[Report by Nanthiya Tangwisutthichit]

[FBIS Transcribed Text] Kunming, China — Laos' ambitious plan to be a major exporter of hydropower

in the Mekong sub-region received a massive boost yesterday with a pledge from the Asian Development Bank (ADB) to set up an agency to develop high-voltage power lines to link up with the electricity grids of Thailand, Vietnam and Cambodia.

Khammon Phonkeo, minister of handicrafts, said the new Lao National Grid Co will be set up with a U.S. \$100,000 (Bt [Baht] 2.5 million) fund, as well as technical assistance, from the ADB.

The first project will be the construction of a 180-kilometre high-voltage transmission line from the Nam Ngum basin in central Laos to Thailand's Nong Khai province.

"The line will be in preparation by the Lao side for the export of some 900 megawatts from Nam Ngum 2 and Nam Ngum 3 dams to be built by 2002 by two separate Thai and German consortiums," he said.

The two proposed hydro-power dams on the Nam Ngum basin will be developed as part of a 3,000-megawatt power purchase deal between the Thai and Lao governments by 2006. According to Thailand's National Energy Policy Office, a price for the electricity has been proposed, but no agreement has been reached.

In the Nam Ngum basin, a dam has already been built using ADB and Japanese loans in the 1970s. Electricity from the dam has been exported to Thailand through low-voltage lines of about 115 kilovolts. Under the new grid plan, the transmission lines could be upgraded to carry 500kv.

Khammon said that the Lao National Grid Co will be owned by the government, but it is possible that the private sector may join the agency later to provide financial and technical expertise.

One of the first tasks of the agency will be to formulate a transmission master plan. A study for this is being financed by the Belgian government and work is expected to start next month, he said.

ADB's Energy Division Manager Jim Rockett said that the agency's founding is vital to regional trade in the power sector as Laos has an abundance of hydro-power to export to Thailand. Laos also made a power sale agreement with Vietnam recently and planned to make a similar deal with Cambodia.

According to the bank, the export of electricity to Vietnam will be along high-voltage wires of between 230kv and 500kv. The power lines will receive power from the Nam Theun river basin in Central Laos and the Se Kong-Se San rivers in Southern Laos. The combined power from the dam projects in the three basins could be over 3,000 megawatts.

ADB also expected the power grid in Laos to serve as a transmission point for electricity to be generated by the Jin Hong hydro-electric project on the Mekong mainstream in China's Yunnan province, Rockett said. The 1,500-megawatt project, presently undergoing a feasibility study, is expected to export 80 percent of its power to Thailand by 2005.

Electricity Generating Authority of Thailand's Director of Corporate Planning Chanaphan Kritdakon said his agency is implementing a study on the transmission line from Jin Hong, via Luang Nam Tha in Laos, to Thailand's grid in Saraburi province. He said the length of the line might be 1,055km.

In a separate development of another hydro-electric project in Laos, the 60-megawatt Nam Leuk, Rockett said that the bank's board of executive directors in Manila might delay its decision to approve a loan, which was originally scheduled to be made today, due to criticism from environmental groups.

Laos: Agreement on Japanese Aid for Bridge Construction Signed

BK2908065096 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 29 Aug 96

[FBIS Translated Text] A Lao-Japanese agreement on Japanese aid to Laos was signed at the Foreign Affairs Ministry in Vientiane on 28 August. Signing for the Lao side was His Excellency (H.E.) Phongsavat Boupha, deputy minister of foreign affairs, and signing for the Japanese side was H.E. Hiroomi Sakai, Japanese ambassador to Laos. The signing ceremony was attended by officials of both side.

The agreement stipulates that the Japanese government has agreed to grant aid totaling 143 million yen, or equivalent to U.S. \$1.4 million, to the Lao government for the implementation of the project on the construction of a bridge across the Mekong River in Pakse District, Champassak Province. The aid funds will be particularly used for the cost of concrete design of the project. The bridge of this project is 1,380 meters long and 11 meters wide.

Thailand

Thailand: Article on U.S. Politics Search for Scapegoats

BK2908101296 Bangkok BANGKOK POST in English 29 Aug 96 p 12

[Article by M.G.G. Pillai: "Searching for Scapegoats"]

[FBIS Transcribed Text] The quadrennial U.S. presidential elections focus foreign policy on "rogue" or "way-

ward" governments in much the way it did on "communist" governments in the first four decades since World War Two. Pressures increase to force adoption of policies resisted elsewhere. The contretemps over the Comprehensive Test Ban Treaty (CTBT) but one example. India's refusal to sign it would force a veto by Britain, Russia or China or all three; but amplifies an assertion that its policies underlines its external threat perception, not that of any other country.

The U.S. president, Republican or Democrat, in an election year "proves" his toughness by unleashing and testing new American weapons on states it deem uncivilized, rogue, wayward, in the way he attempts to force trading rivals—Japan, China et al—to open their markets to American companies often ill prepared or unwilling to do so on their own.

So, it was not the least surprising, with the November presidential election around the corner, that both the Republican and Democrat parties search for scapegoats to blame for the state of the world; the collective beta noire now being terrorism.

And who can they be in 1996 but Iran and Libya? Did not President Clinton describe them as "two of the most dangerous supporters of terrorism in the world"?

Which nation is "rogue and wayward" is for the United States to decide, which then forces it upon the world consciousness. The United Nations usually picks up the baton and runs, with a number of its members beholden in one way or another to Washington beating the "rogue and wayward" drum. This is to be expected. What is not is the refinement that the Clinton Administration has put to it. Its moral high ground, it decides, requires the punishment of any country that continues to do business with the two countries.

Iraq suffers terribly to satisfy the United States' high moral ground of the 1992 last presidential election. But President Saddam Husayn remains in power, a symbol of Arab pride and Western intransigence. The Western mind finds this illogical but nationalism and national pride moves mountains. A half-naked fakir, as Mr Winston Churchill once called Mahatma Gandhi, forced the British out of India. The longer President Saddam Husayn remains in power, the more complicated the United States' presence in the Middle East would be. Making an enemy out of Iran, however, hated her Shiite Islam is in Sunni Muslim-led Middle East, does not help; what it can do is to bring about an anti-American coalition of Middle Eastern countries which could include Iran.

These threats would have been palatable, even acceptable, if the United States' record was clean in such mat-

ters. It is not. The then Secretary of State, Mr John Foster Dulles, thought a U.S.-instigated military coup in Central American in 1954, was "a new and glorious chapter in the already glorious traditions of the American States." She marched into Panama in 1989, captured its President, General Manuel Noriega, and put him on trial for drug smuggling in the United States. President Samper is excoriated for not cracking down on drug cartels in Colombia, and refused a visa to the United States—a move akin to say, Nepal refusing President Clinton a visa for not cracking down on the Mafia under world in the United States.

The collapse of the Soviet Union in 1989 ended its post-World War II superpower rivalry with the United States. But when with Washington's economic dominance challenged, its military hegemony is in doubt. Its recipe to preserve the "Free World" as in Kuwait and Saudi Arabia against Iraq—is to hire out its armed forces as mercenaries. That might be sound economics and politics, acceptable in the Western scheme of things, but in the Middle East, it reinforces the notion that money can get American soldiers to protect regimes from the restlessness of its citizens.

The United States military presence in Saudi Arabia, hidden from the Saudi people, stays under sufferance. The Saudi government pays for them, ostensibly against Iraqi attacks, but more to protect the monarchy. The recent bombing of a United States Army barracks in the country, minor though it was, is complicated by internal opposition to the Saudi monarchy: a few more similar attacks can impinge on the stability of the monarchy itself.

Britain, its predecessor colonial power in the Middle East, handled the region with more finesse, but remains blamed for the region's political and superpower problems today. It is not without reason that British protectorates and colonies here—Kuwait included—turned their collective backs on the British Commonwealth of Nations of former colonies and protectorates: the distaste for London's policies too ingrained to be forgiven; it ill-judged venture to seize the Suez Canal in 1956 put paid to its influence for ever. Washington's crassness in executing its policies compounds its difficulties, its vindictiveness against Iraq and Libya forcing it beyond the pale in the region's politics.

Unfortunately, too many people in countries that faced the American heat have long memories. Besides, like in Lebanon in the early 1980s, and Saudi Arabia, earlier this year, national pride and personal humiliation would have brought the battle into the United States itself. The government may not be involved, probably is not, but

the desire for revenge sometimes stretches over decades and centuries.

The World Trade Centre bombing in New York was followed by the Oklahoma bombing and the explosion in Atlanta during the recent Olympic Games bombing, one Middle-Eastern inspired, one American and the other unknown. This focussed the United States establishment's minds on global terrorism.

The United States added Iran and Libya to Iraq and Lebanon, whose citizens are unlikely to forget what has been done to them. Cuba remains an outsider, but Central and South America has grievances caused by Washington's intemperate accusations of impropriety on sovereign nations unleashes nationalist sentiment that could wreck a terrible riposte. There are enough examples of this, the most dramatic the assassination of Archduke Ferdinand of Austria at Sarajevo in 1914 that unleashed World War One.

Given the method, and madness, of United States politics with its 15-second newsbites, the oversimplification of complex geopolitical issues, the quadrennial "fix" for presidential candidates to be tough, the religious insistence that the world shapes its policies to Washington's view of it, that list of countries on its offside can only increase.

Thailand: ASEAN Members Urged To Review Policy Toward Rangoon

BK2908072496 Bangkok BANGKOK POST
in English 29 Aug 96 p 12

[Editorial: "Time to Rethink Burma Policy"]

[FBIS Transcribed Text] When Malaysia invited the Burmese leadership to visit the country, critics said Rangoon would take it as a sign of acceptance of their regime. The critics were shown to be right. When Gen. Than Shwe and his delegation returned to Burma, there was an immediate spate of arrests against the democratic opposition.

Malaysia's invitation to the leaders of Burma's State Law and Order Restoration Committee (SLORC) turned into a disaster. Within hours of the end of the visit of Gen. Than Shwe and his delegation to Kuala Lumpur and Penang, Burma launched new crackdowns on democracy advocates at home. At least 11 Burmese were sentenced to lengthy jail terms on charges which are still unclear. Another group was arrested — and will be jailed — for alleged plots against the Rangoon government. And this time, Burma claimed gleefully that Malaysia and ASEAN backed the moves.

In answer to questions about the new crackdowns, the regime's mouthpiece "New Light of Myanmar" pulled

no punches. Gen. Than Shwe's welcome in Malaysia, the paper said, showed the strong support for Burma. Those who criticise Rangoon's violence, it said, must now be silent. "The visit also must be taken as paying quiet rebuke to those who would like to interfere in our internal affairs and in the dealings among regional neighbours."

The newspaper is wrong. There has been no rebuke, quiet or otherwise, to the critics of SLORC's anti-democratic actions. What has occurred, however, is a slap in the face for Malaysia, and indirectly to other countries including Thailand. Prime Minister Mahathir Mohamed has made no comment on the ill manners of his recent guests. One can only imagine his embarrassment in this case. Having accepted his warm welcome to Malaysia, the Burmese then returned home, arrested and jailed more pro-democracy figures, and blamed Mr. Mahathir's support for their actions.

The visit prompted vigorous, and surprising, protests from several Malaysian groups. The parliamentary opposition, as well as local and foreign non-governmental organisations, were outspoken in their resentment of Mr. Mahathir's invitation to the Burmese head of state and the top SLORC leadership. There were demonstrations in Kuala Lumpur against the visit, an unusual event in Malaysia to say the least. For his part, Mr. Mahathir tried to keep the visit on a business-like basis. At no time did he so much as intimate he approved of the regime's handling of its political opponents.

Nor, of course, did he criticise them. The almost unseemly haste to integrate Burma into the Association of Southeast Asian Nations [ASEAN] continued last month at the annual ASEAN meeting. Despite the grave misgivings of all dialogue partners, the group pressed ahead with the apparently unstoppable decisions which will lead to full membership in ASEAN for Rangoon. But such speed to pull Burma into the Southeast Asian grouping is winning few friends among ASEAN citizens, or among foreign governments.

Burma is a pariah state in today's world because it tortures and imprisons its citizens without cause and without recourse. The state mouthpieces of Rangoon interpret ASEAN membership as a licence. According to the "New Light of Myanmar", Burma is "on the road to democracy suited to our history and unique to our conditions." Some road. Some history.

By their welcome to Burma, ASEAN members are clearly sending exactly the wrong message both to that anti-democratic regime and to their own citizens. When Rangoon leaders use ASEAN goodwill to justify their crackdowns and campaigns of arrest, it is clear that constructive engagement is failing. ASEAN must

rethink its policy towards Burma. The close neighbours of Burma should not interfere in the country's internal affairs. But they must refrain from rewarding the region's most repressive regime.

Thailand: Thai, Singaporean Ministers Consider Forming Joint Committee

BK2908095596 Bangkok Radio Thailand Network in Thai 0000 GMT 29 Aug 96

[FBIS Translated Text] Thailand and Singapore are considering setting up a joint committee on trade and investment.

Commerce Minister Chuchip Hansawat told reporters about his meeting with the visiting Singapore Minister of Trade and Industry [Yeo Cheow Tong] at the Ministry of Commerce yesterday. The Thai minister said that setting up such a committee will greatly benefit the economies of both countries.

[Begin Chuchip recording] Since the combined total of trade volume of the two countries is big, there should be a joint committee set up to deal with trade, or the so-called Thai-Singapore trade council, as Dr Amnuai Wirawan [Thailand's deputy prime minister and foreign minister] has mentioned. The two countries have agreed to consider what to do next. No definite date has been fixed to set up a joint committee. The matter will be further discussed at the ministerial and lower levels. Once a joint committee is set up, we foresee that we can exchange skills and experiences in the fields of investment and trade. Regarding tourism, Singapore is a favorite tourist destination for Thais, while Thailand has a great many tourist attractions. The two countries should exchange experiences, despite the fact that our countries would also have to compete with other countries the world over, said the Singapore minister.

Thailand: EU To Alter Duty Concession If Antidrug Plan Accepted

BK2908072196 Bangkok BANGKOK POST in English 29 Aug 96 p 4

[Report by Phanrawi Thansupphaphon]

[FBIS Transcribed Text] The European Union [EU] has told Thailand it could consider altering its agricultural import duty concession programme if Bangkok seeks ASEAN cooperation to combat narcotics.

Manuel Marin, the EU Commission vice-president, said Europe wants to lower duty rates under its Generalised Systems of Preferences programme on a grouping basis rather than to an individual country.

Somsak Saichua, first-secretary of Thailand's representative office in Brussels, said the EU applies the same conditions in dealing with Latin American countries.

Thailand is trying to persuade the EU to reconsider its newly-announced duty rates for agricultural products from developing countries under its GSP scheme, which levies higher charges on Thai produce.

The anti-narcotics proposal is the subject of consultations with Brunei, Malaysia, Indonesia, the Philippines, Singapore and Vietnam, said Mr. Somsak.

Other points Thailand will propose are compromise quotas on frozen shrimp, vegetables and canned pineapple and EU aid, particularly for shrimp breed stock, he added.

Thailand: Thanat Warns Latin America of Dangers of Globalization

BK2808041596 Bangkok THE NATION in English 28 Aug 96 p B2

[Report by K.I. Woo]

[FBIS Transcribed Text] Irrepressible Thai statesman Thanat Khoman yesterday blasted globalisation efforts by developed nations as disguised policy efforts to gain economic and political dominance over weak and less-organised developing nations.

Speaking at a "Trade and Investment Opportunities in Latin America" conference, Thanat said developing nations should increase their strength by joining together with those who are threatened with same predicament. "We must organize our resistance and not fall prey to their aggressive hegemony," he said.

Currently chairman of the Policy Council of the Ministry of Foreign Affairs, octogenarian Thanat said he welcomed any opportunity to explore expanding commercial exchanges and investments between Latin America and Thailand. At the conference, ambassadors from nine Latin American countries made presentations on behalf of their nations.

While Thanat said he favoured closer trade relations between countries, he feared the globalisation effort by major economic powers is an "exacting and dangerous movement" for developing nations such as those in Latin America and Thailand.

He warned that powerful western powers hope to dominate and control smaller nations who cannot resist or ward off their encroachment. "This attempt at gaining 'overlordship' is evidenced by repeated unilateral and 'extraterritorial' measures accompanied by threats and

sanctions to cow and reduce others into submission," he said.

He added that "imperialist" powers are using unwarranted and unproven accusations relating to human rights violations, the development of democracy, alleged drug trafficking and now terrorism as points of pressure to blackmail and extort concessions from developing countries.

"Lately, many other unrelated trade items ranging from social clauses and corruption to child labour have been proposed as conditions to be observed by World Trade Organisation members," he said.

All these actions, he warned, are undoubtedly self-serving and can only benefit developed nations. "The onus of all these sanctions is on less developed nations," he said.

To counter these unjustified offensives, Thanat said developing nations must denounce increasing crime and drug use in the developed countries' decaying societies. "The drug consuming nations haven't done enough to combat drug consumption and distribution," he said.

He bitterly denounced that developed nations are being hypocritical when they pass the onus of suppressing drug-usage onto producer nations.

"The truth of the matter is if there is no demand, there is no supply," he said.

Nevertheless, he urged Latin American countries to develop closer trade relations with Thailand to ward off sovereign encroachments by bigger and more powerful developed nations. "We must succeed in maintaining our freedom and independence, or we will be gobbled up and reduced to subordinate pariahs, leading to a life of subjection, which is hardly an acceptable solution," he said.

For Thailand, Latin America is increasingly becoming a more important trading partner. Between 1985 and 1995, the trade volume between Thailand and Latin America increased fivefold.

To foster trade development, Thailand has established formal frameworks for closer bilateral economic cooperation beginning with the first Trade Agreement signed with Argentina in 1961. Other trade agreements were signed with Uruguay in 1984 and Peru this year.

Deputy Prime Minister and Foreign Minister Amnuai Wirawan said in the conference's opening statement that while Thailand's traditional economic partners have tended to be North American, European and Asian countries, there is every reason to build stronger links with Latin America.

"Asia and Latin America each have strengths upon which the other can draw for mutual benefit — abundant natural resources, large and energetic workforces and rapidly expanding consumer bases," he said.

He added that the Thai and Latin American governments are pursuing similar economic policies, reducing state controls, encouraging free trade and dismantling barriers to foreign investment.

The resurgence of regional economic integration in many parts of the world, as exemplified by the Asean Free Trade Area and Apec [Asia-Pacific Economic Cooperation] in Southeast Asia and South America's Mercosur trade pact, Amnuai said can only enhance trade between the two areas. "With continued efforts at economic integration within and between the two regions, I believe Asia and Latin America will carry great weight in international affairs," he said.

Amnuai said Latin America and Thailand should take advantage of this opportunity to expand trade and investment cooperation. "We must bridge the gaps which have too long separated the two regions, be they historical, geographical or in attitude," he concluded.

Thailand: Foreign Currency Dealers Anticipate Baht Devaluation

BK2808044696 Bangkok THE NATION in English
28 Aug 96 p B10

[Report by Charuwan Loetwinyu and Thanong Khanthong]

[FBIS Transcribed Text] A sharp drop in export growth, the widening current account deficit and a shrinking economy have fuelled speculation among foreign currency dealers and money managers that a baht devaluation is somewhere down the pipeline.

Despite the Bank of Thailand's flat denial of a devaluation, doubts still persist, almost as a daily diet, in the dealing rooms of banks in Hong Kong and Singapore, where daily offshore baht trading reaches a staggering US\$12-13 billion ([Thai baht] Bt300-325 billion). Foreign traders surmise that to jump-start exports and tackle the current account deficit, the Thai central bank will eventually resort to a baht devaluation.

Late last month the central bank spent about US\$1.8 billion to defend the baht against a fierce attack from money managers in Hong Kong and Singapore.

Analysts say it is just a matter of time before foreign dealers lay siege to the baht again, raising the spectre of a bloodbath.

Yet economists argue it is heresy to believe a central bank baht devaluation is on the horizon. "I disagree with

the premise that the baht will have to be devalued. In fact, the Thai baht has been undervalued, not overvalued," says Alex Erskine, regional market strategist at Citibank NA Singapore.

A Citibank study found the Thai baht to be undervalued by up to 5 per cent against the world's other major currencies in the first quarter of the year, he added.

Erskine says it is not enough to simply look at the sharp fall in exports without taking into account the fact that imports have also slowed down dramatically, reflecting a shrinking economy.

According to the Thai central bank, export growth fell to 5.7 per cent in the first half of the year, against 24-25 per cent in the corresponding period of 1995. Import growth plunged to 9.2 per cent, compared to 30 per cent in the same period of the previous year.

One can see why foreign speculators think the Thai currency will be devalued.

They believe since exports have been the locomotive of Thailand's sharp economic expansion over the past decade, the central bank only has to devalue the currency to give exports and the economy a quick jump-start.

However, Erskine says, "A devaluation will not help, and there is no need for it, either."

Neil Saker, a strategist at Crosby Financial Holdings in Singapore, also rules out any suggestion of a devaluation. "There is no way the central bank will devalue the Thai baht," he adds.

Saker argues that as long as Thailand's balance of payments is in surplus, the way for the Thai baht to go is to appreciate.

He added that the International Monetary Fund (IMF) recently recommended that Thailand consider widening the band of US dollar/baht trading, currently fixed at two satang, in order to introduce some elements of risk to the capital inflow.

The IMF also believes the baht is undervalued and in the longer term the baht will appreciate, Saker says.

Saker suggests baht devaluation will be a catastrophic policy, for it will not only dramatically drive up the cost of capital goods imported by Thai manufacturers, but also bring about inflationary consequences to more than offset the expected gains from the increased competitiveness of Thai exports.

In fact, a sharp slowdown in exports is a region-wide phenomenon. Not only have Southeast Asian countries been hard hit by the sluggish global economy, but

China, Taiwan and South Korea have also seen an export slowdown.

According to SBC Warburg, China, which is highly competitive in labour-intensive industries, found its exports slowed down by 6.8 per cent as of July this year. Category-wise, exports of Chinese garments fell by 9.5 per cent; textiles by 22.9 per cent; shoes by 0.6 per cent; and toys by 0.3 per cent in the same period.

Prasan Trairatworakun, deputy secretary-general of the Securities and Exchange Commission, also argues that devaluation is not the answer for Thailand's macro-economic stress. "Devaluation may slightly help Thailand's labour-intensive goods, which are price sensitive on world markets, but it won't boost the hi-tech products, which are income sensitive," he says. Thailand's agricultural and fishery products, which are price sensitive, account for only about 16 per cent of total exports, while manufactured goods make up 80 per cent of the total, according to central bank statistics.

The trend shows that labour-intensive industries are losing out to hi-tech industries in the Thai export picture.

In 1990, labour-intensive industries made up about 25 per cent of Thailand's total exports, whereas last year they fell to 15 per cent. In contrast, hi-tech products accounted for 30 per cent of Thailand's total exports in 1990, but last year that rose to 47 per cent.

Moreover, Thailand's hi-tech goods are still highly competitive. In the first four months of the year, according to the central bank, exports of hi-tech products increased by 21.4 per cent. Chemical products jumped 86.4 per cent to Bt4.63 billion, computer and computer parts rose 52.2 per cent to Bt55.47 billion, transformers, generators and motors grew 33.8 per cent to Bt9.16 billion; electrical supplies for making and breaking electrical circuits increased 23.4 per cent to Bt45.51 billion; and electrical appliances jumped 21.8 per cent to Bt35.68 billion.

Thailand: Finance Minister Says No Devaluation of Baht in Pipeline

*BK290808/196 Bangkok BUSINESS DAY in English
29 Aug 96 p 1*

[Report by Staff Writer]

[FBIS Transcribed Text] Finance Minister Bodi Chunnanon yesterday reiterated that, in keeping with government policy, no devaluation of the baht is planned.

"Speculation about a baht devaluation is being justified with different types of analysis," said Mr. Bodi. "The authorities have no plan to devalue the baht as some foreign analysts might have speculated."

He said Bank of Thailand [BOT] Deputy Governor Chairwat Wibunsawat had reported the country's monetary conditions have returned to normal as a result of central bank intervention in the money market.

Speculation has put enormous pressure on the baht, prompting the central bank to intervene in both local and foreign money markets.

Thailand is currently using the currency basket system to calculate the baht's value, which varies according to market conditions.

Mr. Bodi stressed that there was no need for any adjustment of the baht's value.

In addition, it is becoming more difficult for investors to speculate on the baht because the central bank equalization fund is large, reflecting a stronger economy.

"Most of the economic indicators are now showing signs of improvement, although exports may not be producing a clearly positive trend," said Mr. Bodi, adding that the annual growth rate should reach 7.8 percent as forecast earlier. Economic growth of above 7 percent is satisfactory under present conditions, he added.

The current pace of growth will make for a strong and stable economy, as it is not expanding too rapidly, said Mr. Bodi, adding that it compares well with other countries in the region.

This year's inflation rate should not exceed 5.4 percent, he said.

Thailand: Division To Aid Foreign Businesses Set Up

BK2708041996 Bangkok THE NATION in English
27 Aug 96 p B1

[Report by Watsana Khomphira]

[FBIS Transcribed Text] The Foreign Ministry has set up a new division attached to Economic Department to provide essential information and giving recommendations to Thai businesses, said Deputy Prime Minister and Foreign Minister Amnuai Wirawan said.

Amnuai said the new division is in line with the foreign ministry's new strategy to conduct pro-active diplomacy to promote Thai business overseas and vice versa.

Amnuai said countries have now turned their diplomatic relationships towards economics. He said diplomats in the United States, for instance, are taking the role of lobbyists to help their businesses secure deals in other countries.

Citing Japanese strategy to realise the so called "Japan Inc" diplomacy, the deputy prime minister said tradi-

tional Thai diplomacy seemed to be obsolete in the modern environment.

Amnuai said the new division, called Commercial Relations Coordination Bureau, will fill the vacuum left by government agencies. This is because there is no particular government agency which is assigned to facilitate overseas trade missions and give analytical recommendations to Thai investors on where they should go at the moment.

Unlike commercial counsellors, whose job could be compared to a marketing role, the new bureau will advise business people on wider political perspectives, such as the overall political environment in some countries. The bureau will also suggest potential sites for sourcing raw materials. In some cases, the bureau will also help mediate in disputes between business people who face problems from bilateral treaties or international agreements.

Speaking at the first-ever conference of 75 Thai economic officials attached to Thai embassies and diplomatic mission worldwide, Amnuai nonetheless noted that the creation of a new division, which in effect came into operation a couple of weeks ago, does not mean that the foreign ministry has already achieved pro-active diplomacy.

He said the foreign ministry should manage to achieve pro-active diplomacy by firstly improving the quality of its manpower. Amnuai explained that after the end of the cold war, foreign ministry officials will now be facing big challenges. "How could the diplomats help promote Thai businesses by using an aggressive diplomatic strategy?"

He said the foreign ministry should also make the best of information technology, and try to assess the implications for Thailand of the changes in the world economic environment.

Thailand: Khmer Rouge Rebels Need Radio To Fight Pol Pot

BK2908064496 Bangkok THE NATION in English
29 Aug 96 p A1, A2

[Unattributed report]

[FBIS Transcribed Text] Khmer Rouge dissidents think they can beat their former comrades. All they need is a radio station.

The facility, estimated to cost about Bt [Baht] 1.5 million, is essential for the launching of a counter-attack on airwaves controlled by hardliners still loyal to Pol Pot, a well-informed source said yesterday.

Radio equipment the breakaway group took earlier this month from an area formerly controlled by Mit Ni Kan, a Khmer Rouge hardliner, is out of order.

The source said that although the price of radio equipment sophisticated enough to counter that belonging to the Pol Pot faction is expensive, it could be bought in Thailand.

"We are in urgent need of the equipment so we can counteract Pol Pot's radio broadcasts which are rife with misinformation. A close Thai friend has promised to help with the expense," the source quoted Gen. Sok Pheap, a leader of the breakaway group, as saying. Sok Pheap did not name his friend.

The hardline radio station has accused Ieng Sary, leader of the dissidents, of embezzling millions of baht and branded him and other dissident leaders, Sok Pheap and Mit Chhean, as traitors.

The faction led by Ieng Sary has been negotiating with the Cambodian government.

The negotiations have centred around an absolute ceasefire, the group's continued control of the areas of Pailin and Phnom Malai and a guarantee of the smooth return of Ieng Sary to Cambodian political life.

Ieng Sary was convicted in absentia in 1979 for his involvement in the Khmer Rouge's genocide of millions of Cambodians from 1975.

Ieng Sary disappeared from the political scene in late 1978, after Vietnamese troops invaded Cambodia and toppled the Khmer Rouge regime. Despite the split from the Pol Pot faction, Ieng Sary's absence from political life has continued.

Although Ieng Sary may be hiding for a reason, his absence has been exploited by some people, the source said.

News agencies are keen to interview Ieng Sary, the source said, confirming that certain Japanese agencies have already paid about Bt75,000 in the hope of an interview.

The payment also included a tour to the strategically-sensitive areas controlled by the dissidents. The source added that he was uncertain if Ieng Sary had heard of the venture.

The source said it was a Thai broker who solicited the money but he declined to say who the broker had bribed in order to pass tight security maintained by the Thai Army at the border and enter the Khmer Rouge controlled zone of Phnom Malai.

The source said the broker called him, offering to arrange an interview with Ieng Sary and asked for a large sum of money as payment.

The source did not rule out that the dissidents are being paid to allow reporters to enter their areas, adding that they are in urgent need of money.

Sok Pheap once said that setting up a political party required a lot of money and his group had none.

Thailand: Fight for Direct Poll in Reform Renewed in Assembly

BK2908053796 Bangkok THE NATION in English
29 Aug 96 p A1, A6

[Report by Political Desk]

[FBIS Transcribed Text] The Chai-anan committee resolved yesterday that constitutional draftsmen to be tasked with writing Thailand's new charter must be selected through direct provincial elections before a final screening by Parliament.

The committee's decision was another twist in the constitutional reform battle and will most probably trigger another clash between the government and opposition today when Parliament starts its second reading of the constitution amendment bill.

Senators will be a crucial variable again today, after having sided with the government last week to demand a strong parliamentary role in the drafting of a new constitution.

Yesterday's decision by the Chai-anan committee could be interpreted as a clever attempt to get around last week's guidelines laid down by Parliament on how draftsmen should be chosen.

The government, supported by senators, had slammed through a proposal that draftsmen be elected by Parliament, as opposed to the initial proposal by the Chai-anan committee that they be directly elected by the people.

Although the Chai-anan committee yesterday decided to let Parliament choose one out of the three candidates elected by each province, observers say Parliament will be under strong pressure to pick the person who won the highest number of votes.

"In effect, it's a direct election by the people," an opposition source said.

This proposal was put forward by Democrat MP Churin Laksanawisit. It was supported by 11 committee members, including Nam Thai MP Adison Phiangket and Chat Thai MP Sawat Khamprakop.

Another proposal, which had triggered an uproar, was backed by only five government MPs in the committee. It calls for involvement of local administrative bodies in the provincial selection process.

Senate Speaker Michai Ruchuphan's proposal (see box)[attached below] was supported by five committee members.

Another proposal by committee member Phiraphat Serirangsan, calling for provincial applications to be submitted directly to Parliament, won only one vote, his own.

Several government MPs were absent from the meeting, allowing opposition MPs to take control.

Churin said his idea was aimed at preserving the opposition's initial stand favouring direct election of draftsmen. He dismissed possible criticism that direct election would be marred by vote-buying.

"If we don't trust our election system, let's scrap all elections in this country," he said.

Opposition parties, with the exception of Phalang Tham, have pledged full support for the Democrat proposal. It remains to be seen how much support the bloc can extract from government MPs and senators.

The Democrats also plan to push a little further. Aphisit Weichachiwa and Alongkon Phonbut, who both quit the Chai-anan committee last week to protest against the proposed parliamentary role in the selection of draftsmen, vowed to ask the joint sitting of the House of Representatives and Senate to reconsider the idea of letting Parliament have the final say on the selection.

To avoid being considered as trying to rock the boat, the two will campaign as individuals initially to test the water.

The party will jump in only there is considerable support for them at the meeting.

Tacit support for Alongkon and Aphisit has been expressed by Democrat leader Chuan Likphai.

"Talking about legitimacy, direct election is the best choice," Chuan said yesterday.

Chai-anan Samutawanit, chairman of the joint committee, yesterday admitted that the uproar over the proposed involvement of local administrative bodies in the draftsmen's selection was caused by his "mistake".

Twelve political action groups submitted a letter to Chai-anan yesterday reiterating their demand for the direct election of draftsmen.

Chat Thai secretary-general Sano Thiantong called a meeting of coalition representatives yesterday to make a final analysis of government unity before today's debate.

Senate Speaker Michai voiced opposition to an idea to set up a selection panel to screen academics who would join provincial representatives in the charter-drafting assembly.

"We should trust universities and allow them to nominate candidates. To set up a selection panel comprising key government officials will lead to fresh criticism about political interference," he said.

[Box]

Draftsmen election proposals

— Opposition: Each province elect three candidates, of whom one will be appointed by Parliament. Parliament will then elect 23 academics from a group of 71 persons nominated by universities from experts on public law (24 candidates for eight seats), political science (24 for eight) and politics and government (23 for seven).

— Government: Applicants in each province elect three candidates from themselves, of whom one will be appointed by Parliament. The newly-formed 76-member assembly then will elect 23 academics from a group of 71 nominees selected under the same pattern as the opposition's proposal.

— Michai: Applicants from each province come to Bangkok to select 228 candidates from among themselves. Parliament will then elect 76 draftsmen from the candidates. If applicants in any province exceed 50, they will have to vote among themselves to cut the number down to 50, who will then come to Bangkok. The academics' representatives are the same as the opposition's proposal.

— Political groups: Direct election is preferred. If that's not possible, the whole country will elect one of 152-member drafting "teams". The winning team will screen its members down to 76. [end box]

Thailand: Thamrong Elected Second Deputy House Speaker

BK2908025796 Bangkok Radio Thailand Network
in Thai 0000 GMT 29 Aug 96

[FBIS Translated Text] Yesterday, the House of Representatives voted Thamrong Thaimongkhon, Member of Parliament [MP] of the Social Action Party representing Ubon Ratchathani Province, to become the second deputy House speaker. The appointment was made to replace Sutham Saengprathum, MP of the Phalang Tham Party, who earlier resigned from the post following the withdrawal of the Phalang Tham Party from the coalition government.

Thailand: Senate Speaker Proposes Guidelines To Stop 'Favoritism'**BK2808030496 Bangkok BANGKOK POST
in English 28 Aug 96 p 1****[Report by Mongkhon Bangrapha]**

[FBIS Transcribed Text] Senate Speaker Michai Ruchuphan proposed guidelines yesterday to elect constitution writers in a way he felt would prevent political favoritism.

Mr. Michai suggested the 76 provinces form provincial assemblies in which candidates for the Constitution Drafting Assembly would elect 76 representatives among themselves.

Each candidate, however, would be allowed to vote for 25 or 38 of the 76, the proportion to be determined later. Winners would be the 76 who received the largest number of votes.

In this way, said Mr Michai, political factions would be denied the chance to manipulate voting by mobilising large numbers of their own people to vote for their group.

The 76 elected from each province or 5,776 altogether, would then gather in Bangkok for a national congress to elect 228 among them.

Any province with fewer than 76 candidates would not have to vote at provincial level. All candidates could join the national assembly in Bangkok right away.

The list of 228 would be submitted to Parliament which would vote to select the final 76 charter writers.

In turn, the 76 would join 23 experts and academics elected by Parliament from among 69 nominated by a selection panel in the Constitution Drafting Assembly to help write a new charter. The selection panel would comprise chiefs of some government and private agencies.

Mr. Michai said these suggestions, if adopted, must be incorporated in a bill to amend Article 211 of the Constitution before it is tabled in Parliament tomorrow.

Any new proposals which do not follow parliamentary resolutions made last Thursday that writers be elected through a national assembly cannot be accepted, he said.

A joint meeting of the lower and upper houses on August 22 rejected both direct election and appointment of charter writers but opted for the third choice of indirect election.

A parliamentary scrutiny panel, chaired by political scientist Chai-anan Samuthawanit, was assigned to

write a new bill to amend Article 211 without which the drafting of a charter would not be possible.

Mr. Michai's guidelines may help address concerns about political interference and the Interior Ministry's influence over constitution writing sparked by certain parts of a new amendment bill of the Chai-anan panel.

The panel resolved last Friday to empower local administrators to elect writers at provincial level. They would vote along with unlimited number of candidates in respective provinces to select three out of the total in each province. Parliament would then elect one of three representatives per province, or 76, to the drafting assembly.

Widespread opposition to that resolution, however, caused the six coalition parties to announce on Monday they would not vote for the bill and would seek parliamentary support to cut from the bill the clause that gives power to local administrators.

The bill would be debated in its second reading tomorrow and Parliament was expected to pass it in its third reading on September 14.

Deputy Prime Minister Samak Sunthorawet accused the press of being irresponsible in reporting the Government had back pedalled on its stand to allow the involvement of local administrative organisations.

The Government never had such a stand, claimed the Prachakon Thai leader, who attributed the idea to Chat Phatthana MP Prasop Butsarakham.

The proposal, however, received support from coalition MPs in the Chai-anan panel and finally won a majority of votes.

Thailand: Annual Opposes High-Speed Train Proposal**BK2908065696 Bangkok THE NATION in English
29 Aug 96 p A6****[Unattributed report]**

[FBIS Transcribed Text] The hastily-approved nationwide highspeed train project has come under fire from Deputy Prime Minister Annual Wirawan, who said it does not fit in with the current cross-border regional development strategy.

Annual, the leader of the Nam Thai Party, opposed the project at Tuesday's meeting of the Cabinet, which gave a green light to the State Railway of Thailand (SRT) to draft the terms of reference for a study of the mammoth Bt [Baht] 500-billion undertaking.

The Cabinet suggested that the SRT form a joint venture with private investors or grant a concession to implement the project.

Communications Minister Wanmuhammadno Matha said the idea was to invite the private sector to propose guidelines for investment in the high-speed train.

But Amnuai said yesterday: "I don't think it's feasible." The deputy prime minister said he told Cabinet that even in the Association of Southeast Asian Nations (ASEAN), there is no longer talk about a high-speed train.

"Speed matters when the train carries people, but it doesn't matter if the train carries goods," he said. Amnuai has been highly vocal in opposing Malaysia's initial proposal to operate a high-speed train route linking ASEAN with Indochina, Burma and the city of Kunming in China's Yunnan province. The concept, part of a new development plan called the ASEAN-Mekong Development Cooperation, was later watered down to construct a low-speed train linking the ASEAN-Mekong region to ensure the free flow of goods and people.

Downplaying the Cabinet's decision on Tuesday, Amnuai said it only acknowledged a study of the 2,800-kilometre network that would touch upon the scope of the train network, its estimated cost and the technology needed to make it work.

"I was surprised that the press was given the impression that the Cabinet has approved the project. I have suggested the Cabinet make clear that this is not approval of the project, but an acknowledgment of the preliminary study," he said. Amnuai reportedly suggested at the meeting on Tuesday that the study should weigh the project's economic viability and the country's economy against the costs of the high technology involved. He said that laying track for this type of train was very expensive.

"It could cost Bt200 billion to Bt300 billion to build a train that can travel 200 kilometres to 300 km per hour," he said.

Amnuai added that demand for a highspeed train would be from travellers looking for an alternative to commercial flights.

"You could consider a high-speed train worthwhile if airlines cannot meet demand. But if you are talking about two flights a day that are not full, there is not much point in talking about a highspeed train," Amnuai said.

He said Cabinet asked the SRT to prepare the terms of reference for Cabinet approval.

"It is clear to me that they have to come up with terms of reference for construction bids. The government will not be able to finance a costly project like this," he said.

Wanmuhammadno said that the terms of reference for a consultancy study should be drafted within 120 days.

Amnuai said that high-speed trains are better suited to large communities with high-density business and work traffic such as in Japan, Germany and France.

He stressed that Japan has reserve capital for investing in this type of costly project and that high-speed trains like the Shinkansen serve businessmen commuting from city to city.

The National Economic and Social Development Board (NESDB) was reportedly unhappy with the quick progress of the project. The NESDB is responsible for drafting Thailand's railway master plan.

Thailand: Military Reshuffle Lists Given to Defense Minister

BK2708032696 Bangkok BANGKOK POST
in English 27 Aug 96 p 1

[Report by Watsana Nanuam, Yuwadi Thanyasiri]

[FBIS Transcribed Text] The supreme commander gave the Defence Ministry the armed forces' reshuffle lists yesterday, proposing army assistant commander Gen. Thawan Sawaengphan succeed army commander Gen. Pramon Phalasin.

Gen. Wirot Saengsanit handed the lists to deputy permanent secretary Gen. Yuthasak Sasiprapha, who then called on Gen. Pramon, who retires next month.

Supreme Command chief-of-staff Gen. Mongkhon Amphonphisit was named supreme commander replacing the outgoing Gen. Wirot.

Gen. Wirot was also said to have given the original lists to Defence Minister Chawalit Yongchaiyut so he could compare the two.

The outgoing commander had nominated deputy commander Gen. Chettha Thanacharo as his successor but Gen. Wirot favoured Gen. Thawan, who graduated from the Philippines Military Academy.

The supreme commander named assistant commander Gen. Bantit Malai-arison as deputy commander and Gen. Chettha as a deputy supreme commander.

Named as chief-of-staff is Lt-Gen Chokchai Hongthong, army assistant chief-of-staff for operations.

New assistant commanders are Lt-Gen Surayut Chulanon, Second Army commander, and Lt-Gen Samphao Chusi, commander of the army's air defence command.

Gen. Wirot disagreed with Gen. Pramon's decision to promote Fourth Army commander Lt-Gen Panthep Puwanatnurak, Gen. Chettha's former classmate from Chulachomklao Military Academy's class 9, who has less seniority than Lt-Gen Surayut and Lt-Gen Samphao, both of class 12.

Gen. Wirot was reported to have shifted Gen. Watthana Sanphanit, a deputy supreme commander close to the defence minister, to an inactive post at the Supreme Command.

Sources said Gen. Wirot did not seek to change lists involving the air force and the navy, which proposed ACM [Air Chief Marshal] Amon Nacomali as air force commander and Adm. Wichit Chamnankan as navy commander.

Before Gen. Wirot proposed the lists to Gen. Chawalit, he was said to have consulted the prime minister over dinner at a Bangkok hotel.

Gen. Chawalit dismissed reports of a wider rift among senior military figures over the reshuffle.

Vietnam

SRV: Nong Duc Manh Holds Talks With ROK Counterpart

BK2708080496 Hanoi VNA in English
0528 GMT 27 Aug 96

[FBIS Transcribed Text] Hanoi VNA 27 Aug — Talks were held here today between Vietnamese National Assembly Chairman Nong Duc Manh and his South Korean Counterpart Mr. Kim Soo-Han who is now on an official visit to Vietnam.

Present at the talks, among others, were Mr. Vu Mao, member of the National Assembly Standing Commission and head of the National Assembly Office; Mr. Tran Van Phac, deputy head of the National Assembly Commission for External Relations; Mr. Tran Van Nhan, deputy head of the National Assembly Commission for Economy and State Budget; and South Korean Ambassador to Vietnam Mr. Kim Bong Ki-u.

The two sides exchanged views on measures to further promote the bilateral cooperation and on some international and regional issues of common concern in an atmosphere of friendship and mutual understanding. Chairman Nong Duc Manh highly valued the development of friendship and cooperation between Vietnam and ROK which, he said, was in line with Vietnam's external policy of openness. The South Korean National Assembly chairman affirmed that ROK's policy is to give priority to developing relationship with Vietnam, and expressed his pleasure at the achievements recorded by the Vietnamese people in their renovation cause.

The two national assembly leaders noted with satisfaction the fine development of the Vietnam-ROK relations, particularly in economic cooperation and investment. Both sides appreciated the impressive results of bilateral cooperation in recent years and expressed their desire to broaden the multi-faceted cooperative relations, especially in economic, scientific, and technological and cultural fields between the two countries. They also wanted to see more regular visits exchanged between parliamentary delegations from Vietnam and the ROK in order to boost bilateral ties of the two legislative bodies.

The relations between Vietnam and the ROK have developed on a wider scope in recent years, particularly after party General Secretary Do Muoi's official visit to the ROK in April 1995. The ROK is now the third largest foreign investor in Vietnam and the fourth largest trade partner in term of two-way trading turnover.

Chairman Nong Duc Manh said he hoped that with its big economic strength, the ROK will help Vietnam in personnel training and share its experience in economic management with Vietnamese managerial staff. Chairman Kim Soo-han reiterated the ROK's preparedness to cooperate with Vietnam in these fields. Mr Kim Soo-han invited his Vietnamese Counterpart Nong Duc Manh to pay an official visit to the ROK and attend a conference to be held by the Inter-Parliamentary Union (IPU) in the ROK next year. Chairman Manh accepted the invitation with pleasure.

SRV: Leaders Receive ROK National Assembly Chairman

BK2708161796 Hanoi VNA in English
1509 GMT 27 Aug 96

[FBIS Transcribed Text] The Republic of Korea (ROK) wishes and believes in the promotion of comprehensive cooperation between the ROK and Vietnam.

ROK National Assembly Chairman Kim Soo-Han [name as received], who is now heading a ROK National Assembly delegation on a visit to Vietnam, told State President Le Duc Anh during his meeting with the latter here this afternoon.

The ROK national assembly chairman expressed his pleasure at great achievements recorded by the Vietnamese people in their current renovation process as well as the fruitful development of cooperative ties between his country and Vietnam. He also briefed President Anh the outcomes of talks held here yesterday between the two national assembly chairmen.

State President Anh hailed the delegation's Vietnam visit as a vivid manifestation of the fine development of

cooperation between the two legislatures and peoples. He expressed his pleasure at the vigorous economic growth of the ROK in international arena.

Mr. Anh highly appreciated the development of multi-faceted cooperation between Vietnam and the ROK, particularly in the economy, trade, and cultural exchange. He said he believed that the delegation's Vietnam visit would serve as a catalyst for further development of the friendship and bilateral cooperation in the interests of the two peoples, for peace, stability and development in the region.

The same day the ROK delegation was also received by Party General Secretary Do Muoi. Chairman Kim Soo-Han expressed his pleasure to see that the bilateral friendship and cooperation have been developed from the Party General Secretary Do Muoi's ROK visit in April 1995.

Mr. Do Muoi spoke highly of the results reached during the talks between the two national assembly delegations, which, in his words, were a contribution to the promotion of Vietnam-ROK multi-faceted cooperation.

SRV: NHAN DAN: ROK Official Praises Bilateral Ties

*BK2908095696 Hanoi VNA in English
1207 GMT 28 Aug 96*

[FBIS Transcribed Text] Hanoi VNA August 28 — The National Assembly chairman of the Republic of Korea (ROK) has highly valued Vietnam-ROK relations which have developed significantly over the past three years, particularly after Party General Secretary Do Muoi's official visit to Seoul in April last year. Chairman Kim Su-han, who arrived here on August 26 for an official visit to Vietnam, said bilateral cooperation has also been developing on a wider scope since the establishment of diplomatic ties between the two countries in April 1992.

In an interview published today by the national daily NHAN DAN, Chairman Kim said his visit - the first by a National Assembly chairman from ROK to Hanoi "is aimed at boosting the in-depth development of relations and exchange of visits between the two countries' legislatures, thus helping consolidate and broaden bilateral cooperation." The ROK National Assembly leader attributed the unprecedented rapid growth of these relations to cultural and historical similarities, particularly the aspirations shared by the Vietnamese and Korean people in the mutual benefit they will receive from these ties.

The ROK is now Vietnam's third largest trade partner and fifth largest foreign investor. According to local statistics released by the end of 1995, the two-way

trade turnover reached USD [U.S. dollars] 1.5 billion while the total investment by ROK investors in the country was USD 1.5 billion, concentrating on the industrial sector. Moreover the ROK Government is now providing Vietnam some USD 50 million in soft, long-term loans from its economic development and cooperation fund for infrastructure development projects. In addition, non-refundable aid (about USD 3 million per year) is being granted by ROK to help Vietnam build public works such as hospitals, schools and job-training centres.

Seoul and Hanoi have recently promoted their cultural links, with the organization of various seminars on culture and art performances in Vietnam or ROK. "The Vietnam-ROK relationship will be developed into a model of bilateral ties - an important link between Northeast Asia and Southeast Asia", Chairman Kim said, adding that the development of these relations are not only for mutual interest but also to make a worthy contribution to peace and prosperity in the region.

SRV: Radio Views Cambodian Government's Stand on KR Defections

*BK2708142896 Hanoi Voice of Vietnam in English
1000 GMT 27 Aug 96*

[Station commentary]

[FBIS Transcribed Text] The Second Cambodian Co-Premier Hun Sen said the Cambodian Government has no plan to negotiate with the Khmer Rouge (KR) political and military organizations, with Pol Pot, Son Sen, Ta Mok, and Khieu Samphan, or with its representatives. The Cambodian Government will reject all new proposals for negotiations with leaders of Khmer Rouge hardliners. Following is our radio editor's comment:

The Khmer Rouge Radio has confirmed the defection of Ieng Sary and two commanders, Sok Pheap and Milt Chhien. These Khmer Rouge leaders and about 3,000 Khmer Rouge troops have reported themselves to the Cambodian Government. The representatives of the government held negotiation with Khmer Rouge separatists. The first meeting between senior officers of the Cambodian Royal Armed Forces and the leaders of the Khmer Rouge separatists took place in the middle of this month in Poipet. The Cambodian Government has agreed to stop firing on Khmer Rouge forces headed by Ieng Sary and allow them to stay at their bases. The Cambodian Government also promised not to occupy or to dispatch Cambodian troops to areas controlled by the defected Khmer Rouge. The Cambodian Government, however, showed its determination not to negotiate with Khmer Rouge hardliners.

Commenting on the defection of the Khmer Rouge troops, the First Cambodian Co-Premier Ranariddh said that there was a genuine and deep conflict among the Khmer Rouge. It was, he said, the sign of the end of the Khmer Rouge. Meanwhile, the world's reaction have been very cautious. The INTERNATIONAL HERALD TRIBUNE on 12 August wrote that the defection dealt a blow to [word indistinct] Pol Pot forces. Meanwhile, the director of the Research Center on Southeast Asia of Melbourne University in Australia, David Chandler, remarked that the political defection of the Khmer Rouge would create an opportunity to successfully implement the national reconciliation of Cambodia. However, Mr. Chandler said, there might be a possibility of it being a new scheme by the Khmer Rouge to get out of its present uncomfortable situation. Some people predict that the political chessboard in Cambodia appears in a new format with unseen influences at work from outside the country.

SRV: Cambodian Chief of General Staff Concludes Visit

BK2908012796 Hanoi VNA in English
1437 GMT 28 Aug 96

[FBIS Transcribed Text] Hanoi VNA August 28 - The chief of the General Staff of Cambodia's Royal Army General Kekimyan and his entourage left Ho Chi Minh City today, concluding a week-long visit to Vietnam.

Earlier, the cambodian officers laid wreaths at the monument to fallen combatants and the Ho Chi Minh mau-soleum. They were received by Deputy Prime Minister Tran Duc Luong and Defence Minister General Doan Khue. The Cambodian guests had working sessions with senior officers of the General Staff of the Vietnam People's Army and toured military zones 7 and 9, Ho Chi Minh City, and economic and cultural establishments.

SRV: Biographic Information on Do Muoi
96P30242A

[FBIS Report] The July issue of TAP CHI CONG SAN No.13, and the 2 July editions of NHAN DAN, QUAN DOI NHAN DAN, SAIGON GIAI PHONG in Vietnamese reported that Do Muoi was reelected CPV general secretary by 170 members of the Eighth Party Congress CPV Central Committee on 1 July. Muoi was also elected to newly created Politburo Standing Board along with Le Duc Anh, Vo Van Kiet, Le Kha Phieu, and Nguyen Tan Dung. According to Foreign Minister Nguyen Manh Cam who was quoted by the 2 July edition of TUOI TRE in Vietnamese, under the new party regulations, "the Politburo is in charge of managing and solving [party] affairs, but since it cannot

do this on a daily basis, it has elected the Politburo Standing Board to be in charge of such activities."

According to TAP CHI CONG SAN, NHAN DAN, and SAIGON GIAI PHONG, Do Muoi was born on 2 February 1917 into a mid-level peasant family at Dong My Village, Thanh Tri District, Hanoi. He was originally a house painter. He joined the revolution in 1936 and became a member of the Indochinese Communist Party in 1939. In 1941 he was arrested by the French and was sentenced to 10 years at the Hoa Lo Prison in Hanoi. When the Japanese overthrew the French in 1945, he escaped from prison, became acquainted with Nguyen Van Tran, and was later assigned to the Ha Dong Uprising Committee, in charge of Ung Hoa and My Duc Districts. He later participated in the liberation of Ha Dong Province and became party secretary there. In 1946, he became secretary of the Ha Nam Province Party Committee, then party secretary and chairman of the Resistance Committee in Nam Dinh City. From 1947 to 1949, he was a member of Resistance Zone 3 in North Vietnam and party secretary of Ninh Binh and Hoa Binh Provinces. In 1950, he was deputy party secretary and vice chairman of the Resistance and Administrative Committee of Resistance Zone 3, commissar and commander of the zone's military forces. From 1951 to 1954, he was party secretary of the Left Bank Zone, chairman of its Resistance and Administrative Committee, and commissar of the Left Bank Military Zone. In 1955, he became party secretary and chairman of the Military and Administrative Committee of Haiphong Municipality where he directed the 300-day Haiphong zone takeover. He was appointed alternate member of the CPV Central Committee in March 1955. He became vice minister of trade in 1956 and minister of domestic trade in 1958. At the Third Party Congress in 1960 he was elected to the Central Committee. From 1967 to 1968, he was chairman of the State Price Commission and head of the Government Inspection Delegation. From 1969 to 1973, he was deputy prime minister and director of the State Capital Construction, deputy prime minister and minister of construction, and chairman of the Central Front Line Support Council. At the Fourth Party Congress in 1976, he was elected to the Central Committee and became an alternate member of the Politburo. He also became deputy prime minister in charge of capital construction, industries, equipment, industry and trade renovation, and communications distribution. At the Fifth Party Congress in March 1982, he was elected to the Central Committee and Politburo. He was also appointed deputy prime minister in charge of capital construction, industries, and equipment. At the Sixth Party Congress in December 1986, he was elected to the Central Committee, and the Politburo and became a standing member of the Secretariat. In June 1988, the

SRV National Assembly appointed him chairman of the Council of Ministers. At the Seventh Party Congress in June 1991, he became a member of the Central Committee which elected him general secretary. He was a member of the Second, Fourth, Fifth, Sixth, Seventh, Eighth, and Ninth National Assembly. At the Eighth Party Congress in June 1996, he was again elected to the Central Committee and the Committee reelected him general secretary.

SRV: Army Radio Discusses Human Rights

*BK2908052696 Hanoi Voice of Vietnam Network
in Vietnamese 1400 GMT 27 Aug 96*

[Editor's Essay in "Topical Talks" section of "Vietnam People's Army Program"]

[FBIS Translated Text] Human rights is a broad, complicated, sensitive, and current issue. It is linked to history and human progress and manifests the aspirations for the right to live in freedom, equality, justice, and happiness. Nobody can deny the value of human rights. Therefore, human and citizen rights have become the most fundamental concepts of constitutional history. It is possible to say that human rights exist as a demand for social progress. We also know that the fight for human rights began long ago. The concept itself was born in the long fight against oppression, injustice, and crime. Marx said the struggle for human freedom throughout history were all progressive and helped society to progress.

Today, new ideas have been added to it. The value of human rights have been enhanced during the struggle for human liberation thanks to the great efforts by various progressive forces. As a result, human rights are an asset to mankind.

However, Western nations, especially the United States, consider it their own invention. For a long time, they used it to attack and denigrate the USSR and other socialist countries.

After the collapse of the USSR and Eastern socialist states, the United States intensified its foreign policy on human rights to the world. The aim of the new strategy was to broaden U.S.-style democracy and the capitalist free market, mainly in areas where it had the greatest security interests and where there was the greatest possibility of change. The aim of this was to use Western-style democracy, human rights, and the free market to bring about peaceful evolution in socialist countries, to overthrow regimes that do not share the same values with the United States, and to build a new world order of pure capitalism based on the U.S. model.

The foreign policy of human rights under the Clinton Administration has three major traits:

One, it links human rights to democracy and considers it equal to the issues of peace, security, and the free market economy;

Two, it links human rights to government-to-government ties, the most-favored nation status, and economic aid in the relation to other countries; and

Three, it publicly treats human rights as a nonmilitary weapon to bring about peaceful evolution in the remaining socialist countries and to overthrow Third World regimes that are unfriendly to the United States.

In the United States, there are numerous unsolved human rights issues. The fundamental contradictions of capitalism are becoming more sharper every day. One percent of capitalists owns 50 to 70 percent of the nation's assets. Those living below the poverty line has increased from 24 million in the 1970's to 35 million in the late 1980's. Apart from the economic crises at various levels, the socio-political crisis within the American capitalist regime is worsening. Apart from deterioration in the labor situation, society on the whole has become more depraved. However, they want to impose those things outside their own borders.

Reviewing recent developments in Vietnam, we see that U.S. Governments have always used human rights in their invasion conspiracies. The U.S. Congress has regularly provided huge funds since the 1980's to the so-called National Fund for Supporting Human Rights for its foreign policy and for sabotage to bring about peace evolution. This includes the Organization for Democracy Campaign in Vietnam. In the 1990's, the U.S. Senate approved supplementary congress resolutions entitled "Policy on Human Rights and Democracy in Vietnam" to lobby the UN, ASEAN, and other organizations, including U.S. businesses to push for human rights and free democratic elections in Vietnam. We still remember many U.S. officials publicly declaring that they wanted human rights linked to the normalization of relations and the most-favored nation status for Vietnam.

Talking about human rights, it is necessary to assert here that in our country — from the national revolution for the people's democracy to the current renovation — our party's has adopted an unswerving policy on ensuring human liberation and genuine human rights. Human and citizen's rights are clearly evident in the thoughts of President Ho Chi Minh. The guarantee for these rights are clearly spelled out in the party's line and policy, and in our government's legal system. These rights are the key areas in the strategy for human development and the driving force and goal for the socioeconomic development of Vietnam.

Since the Declaration of National Independence in 1945 in Vietnam, the ideology of people's rights and human rights and the concept of building a political system and a state with a constitution and laws for the people have been the central idea. The Vietnamese people completely understand that human rights are linked to national independence and sovereignty. In our country, human rights and the national rights have been basically unified.

We proceeded from the idea: Nothing is more precious than independence and freedom, when the country is independent, the people must have freedom, have the right to live, food to eat, clothes to wear, and to be eligible for an education. That was why immediately after we gained independence, President Ho Chi Minh and our party put basic human rights above all other issues. Since then, the policy of our party has always been consistent in reflecting the spirit of resolute protection of people's self-determination and human rights, and these principles have been endorsed by the Constitution and the law. Socioeconomic progress also allows human and citizen's rights to be expanded to a greater extent. If the 1946 Constitution had only 11 articles on citizen's rights and obligations, the 1992 Constitution has 34 articles stipulating rights and obligations of citizens.

We have achieved considerable and fundamental progress in the field of human rights. It is fair to say that the level of people's enjoyment in economic, cultural, education, and public health aspects have been heightened alongside the development of the country. This is reflected in the advances in living standards and quality of life. After 10 years of implementing the policy of renovation, the numbers of middle-income as well as of rich households increased, and the proportion of poor households is decreasing. Countrywide, 58 percent of households have good housing, 52 percent have electricity, 64 percent have access to clean water, two million households have a television set, and five million have radios. The average knowledge of the people has also improved. Implementing the strategies for the elimination of illiteracy and educational reform, thus far we have gradually established a complete national education program from pre-school to post-university which has scored many pride-worthy achievements. From a country in which over 95 percent of the population was illiterate, now we have 91 percent who are literate, with a labor force of tens of million of members who have at least a primary education or lower secondary education makes up 46 percent of the total manpower of the country.

Our country's Constitution and the law also acknowledge in many provisions human and citizen's rights in

various areas. Citizens have the right to work, freedom to do business, to conduct scientific and technological study or research, to patent inventions and discoveries, and to participate in social activity. Different economic elements such as the state-owned, collective, and private sectors have the right to develop equally, and the individual, private, and private capitalist economic sectors have the right to decide on their business options, and to establish businesses which have no limits on their size. On the other hand, the Constitution confirms the right to freedom of belief and protects pagodas, temples, and churches while prohibiting all abuses of belief and religion for the purpose of conducting illegal activity. To the minority ethnicities, the state has the policy of equality, unity, and mutual assistance among ethnicities for the purpose of lifting the standards of material as well as cultural life of the minority ethnic people.

Another considerable achievement in human rights is that we have successfully handled many social problems, such as the policy to care for recipients of postwar pensions, who are under the care of the party and state, such as war invalids, war dead and their families, people with meritorious deeds to the revolution, orphaned children, and troublesome children. There were also problems related to social vices that the party and state had to handle in the period of shifting to a market-driven economy, including unemployment, drug addiction, and prostitution. In this field we have paid close attention to the protection of human rights in parallel with efforts to preserve fine traditions of good relationship among members of the community, families, and villages.

The above achievements in human and citizen's rights are the results of the important role of the new-styled state and the democratic legal system. In his Declaration of Independence, and in the very first government meeting, President Ho Chi Minh announced the major duties of the time which were general elections at the national level, establishment of the constitution for the Democratic Republic of Vietnam, and the building up of a democratic structure that guarantees human and citizen's rights in the new society. The same state apparatus and the legal system have also been renovated in the past several years in order to guarantee and expand the scope of human and citizen's rights. Since the Sixth National Party Congress, we have also conducted important reforms of the political system in the direction of democratization. The leadership of the party as well as the management of the state are to realize the people's power, to build a state of the people, by the people, and for the people, a law-governed state of the Socialist Republic of Vietnam. The progress scored in this aspect in our country is in accord with the trend of developments in the modern age concerning

heightened human rights values as demonstrated in international conventions. They are not only objectives but also motives for development in our country.

Dear comrades and friends; in the world as well as in our country, the correct trends of human rights are the elimination of hunger, poverty, illnesses, social vices, and crimes and war; the effective handling of environment protection, population problems, technological energy, and usage of space and underground resources for

peaceful purposes; the termination of armed conflict; and respect to national sovereignty. The most precious rights are to be able to live in peace, independence, freedom, and to decide one's own destiny.

We have been fighting, and are continuing to fight for all these objectives with higher and higher results that guarantee true values of the human rights in the fine socialism.

Australia**Australia: Government To Consider Acquiring Strike Missiles**

BK2708032396 Sydney THE SYDNEY MORNING
HERALD in English 27 Aug 96

[Article by Craig Skehan: "Strike Missiles for New Submarines on Official Agenda" — received via Internet]

[FBIS Transcribed Text] The Federal Government will consider acquiring long-range, stand-off strike missiles, including the Tomahawk cruise missile, for the new Collins class submarine, defence officials confirmed yesterday.

This followed a statement by the captain of the first commissioned Australian-built Collins submarine, Commander Peter Sinclair, that the vessels should be armed with Tomahawks.

Critics have raised the danger of neighbouring nations seeking such weapons if Australia was to buy them. At present, no South-East Asian nation has long-range cruise missiles, which can be fired from the air or the sea to hit targets up to 2,400 kilometres away. Japan has a version of the Tomahawk and both India and China have equivalent long-range missiles.

The Royal Australian Navy has six Collins class submarines on order, at a cost of \$5 billion. The Government is due to decide next year whether to order two more.

Government sources said that in conjunction with this decision, Federal Cabinet would consider a submission on whether to equip the submarines with missile guidance systems which are necessary to launch Tomahawks. If this is agreed upon, the earlier commissioned submarines could subsequently be fitted with the guidance system.

The Minister for Defence, Mr McLachlan, sought yesterday to play down the prospects of Australia buying Tomahawks in the short term, saying that the Government had "no proposition before us at the moment".

Mr McLachlan said there were higher priorities, including airborne early warning and control aircraft.

The Coalition's defence policy document states: "The acquisition of a stand-off weapons system for the Collins class submarines may prove a cost-effective means of maintaining an effective strike capability in the longer term. To this end, the Coalition will fund technical definition studies in our first term to assess the most appropriate stand-off weapons system."

The Federal Opposition's defence spokesman, Mr Arch Bevis, said Labor acknowledged that consideration

should be given to acquiring the Tomahawk missile in an "open way" so regional countries understood Australia's position.

He said Australia would be looking for a strike capacity to replace aging F-111 aircraft, and that the Tomahawk could fill that role.

However, he said the Government had got itself into a hole by making confusing statements on its defence posture, including suggestions by Mr McLachlan that Australia and the United States could jointly deploy military forces in the region.

"A perception is that Australia is defending against the region, rather than defending with the region," he said. "It is against this backdrop they have a problem talking about the Tomahawk."

Australia: France South Pacific Forum Dialogue Partner 'Next Year'

BK2908072696 Melbourne Radio Australia
in English 0500 GMT 29 Aug 96

[FBIS Transcribed Text] South Pacific officials will begin three days of talks on Friday in the Marshall Islands to prepare for next week's leaders' summit.

Australian diplomats say they expect the officials to recommend that France will be readmitted as a dialogue partner at next year's forum. France was thrown out of the forum because it was conducting nuclear tests. However in March, France along with the United States and Britain signed the South Pacific Nuclear-Free Zone Treaty.

Meanwhile, Australian officials say they will not be pushing for the formation of the South Pacific free-trade area when the forum meets in Majuro next Tuesday. An independent report prepared for the Australian government and sent to forum members says the Pacific islands could face economic isolation if they fail to adapt to the global trade environment. Officials say Canberra accepts that any move to economic integration would be a huge step for the island states.

Australia: Canberra Mulls New Trade Bloc With South Pacific

BK2908104496 Melbourne Radio Australia
in English 0630 GMT 29 Aug 96

[From the "International Report" program]

[FBIS Transcribed Text] Australia is considering a proposal for a regional trade bloc with the South Pacific nations. A report to the federal government suggests the Pacific islands face economic ruin if they fail to adapt to the changing global trade environment.

Australia will raise the idea with the South Pacific Economic Association at next week's South Pacific Forum in the Marshall Islands.

The idea follows the recognition by Australia that the 16-year-old trade agreement with the Pacific islands known as SPARTECA [South Pacific Area Regional Trade and Cooperation Agreement] has failed to produce the economic benefits it promised. That agreement was supposed to help Pacific islands develop their textile industry by offering preferential access to Australia.

Frank Young from the Pacific desk in Foreign Affairs has been discussing the Pacific nations' economic future with Ann Barker.

[Begin Recording] [Young] A couple of industries have developed in a couple of countries around the provisions that SPARTECA has. But, obviously, those industries are not sustainable in the long term without relying on concessional access. And at the time that SPARTECA was conceived and concessional access was put in place, of course, that was before the Uruguay Round began and before changes started to take place in Australian industry policy. Now, the Australian tariffs are falling. Those industries are finding it harder and harder to compete, particularly in countries where wages are so low and their productivity may even be higher than it is in the Pacific island countries.

[Barker] How much do these South Pacific countries face the economic isolation altogether if they fail to adapt to that changing environment?

[Young] I think there is a real risk of them becoming isolated if they don't adapt and you know, for example, the South Pacific is surrounded by APEC [Asia-Pacific Economic Cooperation] countries and much of their trade and investment is to or from APEC countries. And I think that they will do need to adapt so that they should be in the environment that surrounds them.

[Barker] So how's the advance of APEC and other regional trade groups around the world been a threat to the Pacific countries because they have been left out.

[Young] I think it's more important to see the development of various groups in providing opportunities rather than as a threat. There are opportunities for the Pacific island countries to do that more effectively particularly

with APEC countries. But in order to do so they need to make sure that there are economic policies and investment policies and institutional capacities and I will want them to do that.

[Barker] Well, Australia is looking at the possibility of establishing a new APEC partner trade body with the South Pacific countries. How would that look?

[Young] Well, we haven't committed ourselves to that as part of the recommendation of Professor Duncan. We think it's an idea that's worth talking through with the other parties to SPARTECA, with New Zealand, and the Forum Island countries. And I think there'll probably be some discussion at the South Pacific Forum in Mojura over the next few days on that. We hope that might lead to a process where there will be some very close examination by all of the SPARTECA signatories together on an economic association, something that is viable and practical, and just how it might be set up.

[Barker] So, would it force South Pacific countries to drop some of the economic problems that they have such as the public sector inefficiency, budget deficits, and so on?

[Young] Well, clearly if South Pacific countries are going to be able to work within that sort of environment then a whole lot of things need to be looked at, investment regions, the capacity of institutions, the way in which government is carried out in those countries. In all of these things, of course, the things that leaders have committed themselves to doing at previous South Pacific Forum. So, it is very much a matter of [words indistinct] and finding ways to make those things work.

[Barker] Is it a sign now that Australia is increasing its preference with some of those countries to address those sort of economic problems?

[Young] I think it is probably, to characterize our approach as one of impression you see is probably not right. I mean we recognize that the island countries have got particular issues that they have to deal with. Their economies are at various stages of development and that is within themselves and in terms of their comparison with external economies and I think it's important to recognize those sorts of things in talking to them about how we might work together. [end recording]

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